

On May last, in introducing the bill which has now become law, the Hon. Mr. Chevrier stated:

It is expected that by the time the proposed line is completed from the western end into Chibougamau, if not before, projects for new industrial development in the Lake St. John-Saguenay area, which are now being considered by prospective investors, will have reached a stage which will justify the construction of this line and a decision can then be reached about any subsidy required and warranted in respect of the line. In the meantime, the Canadian National Railways will proceed to assist and encourage further developments in the Lake St. John region as a means for building up potential traffic for this new line.

Now then, Mr. Speaker, this confidence in the future development of Lake St. John is shared by the whole population of my district. That is why, following the announcement of the Canadian National Railways' new policy to insist on guarantees of a sufficient volume of traffic, I stated last May 25 that the population of the Saguenay area intended to work in a constructive and intelligent way towards the achievement of this objective. Thus, since May last, I have not been chary of representations to the C.N.R. authorities, by the lumbering operators and especially to the Prime Minister (Mr. St. Laurent) and the new Minister of Transport (Mr. Marler).

Guaranteed traffic proposals have now been submitted to the Canadian National authorities, who are now considering them. It is not within my province to assess the value of the guarantees offered, but the government might hasten a decision on the part of the Canadian National authorities by offering them the appropriate subsidies.

A decision along this line, at a time when there is evidence of a drop in employment, would stimulate the Canadian economy and contribute to maintain a high level of national income.

I have every confidence in the foresight and judgment of the Prime Minister and of the Minister of Transport. By deciding to grant this subsidy, the government would at last favour the achievement of this railway project, one eagerly awaited by the whole population of my area.

(Text):

**Mr. H. W. Herridge (Kootenay West):** Mr. Speaker, it was not my intention to speak in this debate, but one or two things have been said which move me to say a few words.

First of all, I rise to support the request of the hon. member for Winnipeg North Centre for a public inquiry into the Malton air accident. If I remember correctly, when replying to the hon. member for Winnipeg North Centre the minister asked the question, "What are you trying to prove?"

*Committee on Railways and Shipping*

**Mr. Marler:** I did not ask any such question.

**Mr. Herridge:** I understood the Minister of Trade and Commerce (Mr. Howe) asked that question. My understanding is that the hon. member for Winnipeg North Centre was not trying to prove anything; he was asking for an inquiry to ascertain the facts and to assure justice to the pilot in question, as well as to the Canadian public. I think from a reading of the evidence that a public inquiry is fully justified.

On February 25 the Minister of Trade and Commerce denied a statement by the hon. member for Winnipeg North Centre to the effect that the pilot had been on duty for a period of 16 hours in one day. If we heard the minister correctly this afternoon, by his own figures he admitted that the pilot was on duty one day for 17 hours and 29 minutes. I am not going to take the time of the house to discuss the case more fully. The hon. member for Winnipeg North Centre placed the matter on record after having made a careful study of the whole situation. I would only repeat that a careful reading of the evidence fully justifies his demand for a public inquiry into this air accident; and I trust when the committee sits it will have an opportunity to go further into the matter.

I wish to say a few words about the Queen Elizabeth hotel. I listened with great interest to the hon. member for Notre Dame de Grace who, I think, covered the subject fully. I agree with what he had to say. We in this group supported the proposal that the Canadian National Railways should build this great hotel as a public enterprise of great value for Canada, and one which would serve a very useful purpose. I believe it is true to say that public response to the building of the hotel, as well as general, tourist and commercial interest in it, indicate that it will be a profitable venture.

It is an understatement for me to say that we in this group are very disappointed to hear that the operation of the hotel is being given to an American company. We think this is a reflection on Canadian hotel personnel in Canada, and the capacity of Canadians generally to administer such affairs. I think the successful management of a number of Canadian National hotels in Canada and a large number of other excellently operated hotels is proof that we have the personnel in this country to do the job, and that there was absolutely no necessity to have an American company operate this hotel. One of the hon. members has suggested that it indicates a Canadian inferiority complex when it comes to the management of such a business.