

*Committee on Railways and Shipping*

reveals. They tried that. However commendable the aim, the achievement was not equally effective. They had that experience when they came into power. At first they said: "We can develop our natural resources in the province under the government and under state ownership". They found it necessary to change and to depart from that policy, and to lay out the red carpet to welcome private enterprise. I say, if the government of this country would just realize that competition cannot do anything but improve the standards of air transportation, they at least would have taken one step toward the achievement of the improvement of air transportation in this country.

I know there are many members on the other side of the house who agree with what I am saying, if they would just express themselves to the same degree as the press records today in Britain the Conservatives are doing in that country. The Conservatives in Britain are placing Sir Anthony Eden in a position where they demand action, disagreeing as they do with certain policies that he has followed, thereby representing in effect the best traditions of parliamentary government. We cannot expect that, Mr. Speaker. If that ever happened in this house the millenium would indeed have arrived in the present generation. If the government would give private members on its side of the house the right to say whether there should be competition in relation to Trans-Canada Air Lines I think I could predict with the utmost certainty how that vote would go. It would go in favour of the adoption now of fair and reasonable competition controlled by the board of transport commissioners in the public interest and assuring an increase and elevation in service to the public which will not be achieved as long as Trans-Canada Air Lines is in the position that regardless of what it does it will be maintained to the exclusion of private interests operating effective competitive lines. Having said that, I want to refer to a matter that was dealt with by the hon. member for Winnipeg North Centre (Mr. Knowles).

**Mr. Knowles:** This time you are with me.

**Mr. Diefenbaker:** Yes. I am not only with you in what I am going to deal with, I was ahead of you in bringing it up. I brought it up as far back as 1946 and I pointed out the injustice that was being done to Canadian National Railways employees who were retired on a basic pension of only \$25 a month. That basic pension is today in equivalent purchasing power something like \$9 or \$10 at the time it was brought into effect. If there

[Mr. Diefenbaker.]

is one thing that is necessary to raise the standard of Canadian National Railways service it is that the morale of the employees be maintained at the highest possible level. The morale of Canadian National Railways employees today in most cases is lower than it has been at any time in my experience because the employees feel they are not receiving the consideration they deserve.

One of the things which would assist would be the removal of the present low level of the basic pension. It should be increased at least to \$40 a month. That would not be very costly. I am speaking from memory but I believe that pensions today cost approximately 2.7 per cent of the total amount taken in by the Canadian National Railways. The increase in question would be infinitesimal having regard to the total amount of business done and would raise beyond words of description the morale of the employees of the railway company.

There is another thing which could be done. The rules regarding pensions were in effect for many years unchanged. Finally there were reformed or revised rules established within the last three or four years but there are many employees who should be entitled to consideration who find themselves in the paradoxical position of having expected that their disability in connection with the pensions under the regulation would be removed in the revision, only to find they have not been. I suggest to the minister that if he would let it be known to the Canadian National Railways employees across Canada that this committee, which is being set up, would set aside from among its membership a sub-committee to give consideration to the pension regulations in order to remove the anomalies that exist and the injustices that are taking place, he would have gone a long way towards restoring and increasing the morale of these employees.

As a matter of fact the regulations with regard to the continuity of employment are totally at variance with reality. There are many cases of individual employees who should be entitled to longer periods of pension qualification but who are denied the total period they have served because of certain inequities which have crept into the regulations. Another point is that if an employee is out of work and goes on unemployment insurance there is a break in his employment. The hon. member for Perth (Mr. Monteith) has referred to these injustices over and over again. There is no reason at all why the pension regulations should not be changed in order to provide that, during a period when a railway employee is receiving