

Supply—Transport

I know that other members are in the same position as I am, and have been receiving many submissions from C.N.R. employees, especially those from western Canada, with regard to what they consider their right; what they think should be their right—an option as to whether their existing pension plans and the Canada Pension Plan should be decked or co-ordinated.

I have had some discussion with the legislative representatives of the brotherhoods on this matter and I am told that, as is understandable, there is no unanimity on the part of the men or the men's representatives. But certainly on the basis of the correspondence I have had there is virtual unanimity among the C.N.R. employees in my area that they should be given an option, and this is not beyond the bounds of possibility to work out. They should be given the right to choose as to whether their existing pension plans and the Canada Pension Plan should be decked on the one hand or co-ordinated on the other. I agree with this point of view although I know it will create some extra problems in administration for the company. I do not think it should be open to unilateral decision, nor do I think that these employees should be confined in the matter of choice. I do not think they should be told that they can only do one thing or the other. A choice should be made available to the men as to which alternative they wish to take.

• (3:20 p.m.)

I hope the minister will bring this matter also to the attention of the management of the C.N.R. and urge upon them that in pension negotiations and discussions which are now current the company should take the point of view, that although they have been placed in this very difficult position by the indifference of government, nevertheless as good employers they must now make the best of it and offer to their employees the option as to which form of settlement they will take.

Mr. Reid: Mr. Chairman, I also wish to say a few words on the subject of railroads in Canada and particularly about the C.P.R. I said a few words on this subject in my speech in the house a few weeks ago and perhaps I will just gloss quickly over the question of the "Dominion". Before doing so I should like to put myself on record as agreeing fully with the remarks made last evening by my friend and colleague the hon. member for Port Arthur concerning the C.P.R., and

[Mr. Fulton.]

railroad problems generally as they affect northwestern Ontario.

In my opinion the "Dominion" is only one aspect of a whole series of problems that we face with respect to the railroads in Canada. It is an attempt in part by the railroads to improve their revenue situation. The cancellation of the "Dominion", it is claimed, is going to provide more revenue. Last November shortly after the election the two railroads jointly announced an increase in the rates of certain lumber products from northwestern Ontario. In fact they increased them to a level that made these products non-competitive, and after a great deal of pressure and letters going back and forth the rates were lowered to their previous level.

The basic problem seems to be the great change that is taking place in transportation services in Canada and which have taken place particularly in the last 10 years. We all recall the period from 1959 to 1961 when the railways had their worst years. Out of this the former government saw fit to appoint a royal commission, the MacPherson Commission, to look into the problem. From that commission came certain recommendations and we are told that legislation is to be brought forth that will deal with railway problems. This legislation is being based on the MacPherson Commission recommendations.

To improve their situation the railways have fought back against increasing capital costs, increasing costs for materials and manpower. They have attempted to utilize their capital equipment in a better fashion, which has meant run-throughs and longer runs. They have attempted to deploy their employees in a better fashion and to rationalize their services.

In my opinion, Mr. Chairman, this problem has not been handled well; as a matter of fact it seems to have been botched at almost every level. One has only to consider the conditions that gave rise to the government setting up a one-man royal commission, the Freedman Commission, to look into the question of run-throughs at Nakina. We are all aware of the pension struggles going on between the Canadian National and Canadian Pacific and their employees, partially because of the unrest that exists between the railroads and their employees. The employees on the runs, the non-ops and the operating trades are worried about what the future may hold for them. In particular, Mr. Chairman, the communities that are served