

*Supply—Transport*

we are with some of the local aspects of transportation. After all, national transportation is our job. We have to have some viable way of dealing with it.

• (9:10 p.m.)

Now, I imagine there are no 20 million people belonging to the same society anywhere in the world who pay so much for their transportation, whose transportation enters to such a great degree into the cost of living, as is the case in this country. The second point I should like to make is this: There is no other country with 20 million people in it in the whole world that depends so much for its standard of living on exporting a large proportion of its products to the rest of the world and, in so many cases, to competitive markets. Now, these two facts mean that if the producers in Canada are to get reasonable returns for what they produce, and what is sold in the export market, the cost of transporting the goods must not be too great. That is a basic fact about transport in this country. It may be that there are some areas, where the production is entirely for the local market or exclusively for consumption in Canada, in which this element is not so great; but it does affect all of us.

I also agreed with another thing said today by the Leader of the Opposition. I sent him a note earlier today to the effect that I hoped he would recover from the shock when I told him I agreed more with what he said about transportation than with anybody else who had taken part in the debate. I agreed with him for this reason. He said that we had to change; that we could not leave things as they are, that we had to be up to date. I am roughly paraphrasing his words. Perhaps I can claim to do this once in a while because he also does it, but I think I can say I am being completely fair. He was indicating that we have to have modern transportation in this country. That also means that, unless we are going to pay an exaggerated cost for our transportation in this country, when services become redundant they must be discontinued—however nice they were 25 or 50 years ago. If we are going to maintain a high standard of living and an opportunity for decent leisure for the old as well, then we have to be efficient. We have to be prepared to scrap out of date services and services that have ceased to be used to any marked degree. This is a fact of life that we have to face.

I know of only two ways, Mr. Chairman, in which we Canadians can pay for our transportation; and I think we have to pay for

[Mr. Pickersgill.]

part of it one way and for part of it another way, if we are to have a sane and viable policy. It seems to me that transportation can be paid for either by the users or by the taxpayers. I do not know of any third way. It might just be possible for a very short while to do what some hon. members seem to have suggested—make the C.P.R. provide transportation at a great deal less than cost and pour the profits of its other enterprises into transportation to meet the losses. But I question whether that would last for very long. I have very grave doubts about what its effect would be on the whole of the Canadian economy, and no serious person who has studied this question has ever suggested that it should be done in this way. In any event, no matter how it is done, the amount of our manpower, our resources, our capital, our knowhow that we devote to transportation is going to have to come out of the sum total of what we produce. If the amount we expend on transportation is too high in relation to the rest of the expenditures of the country, we are going to be, not richer, but poorer. It seems to me that that is self-evident.

The hon. member for Burnaby-Richmond suggested that there ought to be a separate department of civil aviation. I know there are a lot of strong arguments for this course, and I am not saying that one day there will not be a separate department. However, my own opinion is this—and this is no mere desire on the part of an old man to hang on to his empire. At any rate, I have rationalized it, and my rationalization is that it is so frightfully important to integrate all forms of transport in Canada and to eliminate, as far as we can, the redundant and the wasteful and the really unnecessary and that, if we did not have one department of government and one minister to do these things, or try to do them, then they would not get done at all.

When I think of what my hon. friend, the Minister of National Defence, has been doing in these last three years and how he has been trying to integrate our armed forces—and I certainly think he has done that in a most admirable way—it seems to me that it is just as important—taken from a long term standpoint it may be even more important—to integrate our transport services in this country and to make sure that we do not devote unnecessary resources to them. That is my view.

I do think that the department is too big for one man. I must say I welcome the assistance I am already receiving from my