

for permission to dispense with the "Canadian," the brightest jewel in their crown and of which they were so proud. I was pooh-poohed and laughed at. It was said it would never happen in our time, but two or three years later they are back.

I have a great deal of respect for the job the officials and staff of the CNR have done. The CNR is one of the largest transport organizations in the world. It is moving more freight now than it ever did; it is moving almost as many passengers as it ever did. It embarked upon an aggressive program of inducing passengers to return to the railways, and it has succeeded to a large extent. I think these people are doing a good job in extremely difficult circumstances. One of the difficulties is this—that ever year they are expected to carry on while the public is being told, "The CNR is operating at a loss."

Mr. Speaker, anyone who understands anything about the history of the CNR realizes this is not true. The CNR is not operating at a loss. Anyone familiar with the facts knows that the CNR has always shown a profit on its operations except for a very few years. The reason the CNR accounts show a loss every year is that the original companies from which it was formed, privately-organized companies including the Grand Northern, the Grand Trunk and, I think, the Grand Trunk Northern, were going bankrupt; they were unable to continue in operation and their stock was worth about 5 cents on the dollar. Instead of the government of Canada simply taking them over, as it should have, it formed the CNR, floated bonds and paid off the shareholders at 100 cents on the dollar. We are still paying interest on the bonds which were floated at that time, and this is the reason the CNR shows a loss every year.

Though the CNR has done an excellent job, I am disappointed that this year, as in other years in recent times, it should have banded together with the robber barons who run Canadian Pacific and applied to the Transport Commission for permission to abandon a substantial part of its passenger lines. The line from Winnipeg to Churchill, one which is of vital importance to a large part of Manitoba from which I come, is one of those it proposes to abandon.

As for the CPR, if ever a group of people have gall it is the directors of the CPR. Here is a company which back in 1880 received its charter to build a transcontinental railway. The company then agreed as follows: "The company shall thereafter and forever effectively maintain, work and run the Canadian

*Provision of Moneys to CNR and Air Canada Pacific Railway.*" I submit that for this company to ask an agency of the Crown for permission to abandon its transcontinental run and dispense with all its passenger lines except commuter lines around Montreal is, in fact, in violation of the basic contract it made with the people of Canada.

I suggest to hon. members that they pay attention to the words of the Minister of Energy, Mines and Resources (Mr. Greene) several years ago when he was Minister of Agriculture, at a time when the CPR was making similar applications. A speech he made in Winnipeg in January, 1966 was quoted in the *Winnipeg Free Press* as follows:

I have no sympathy with the (CPR) attitude that we can make more dollars by abandoning rail lines and renting box cars to the United States because we are a private corporation and we can do as we like.

Later he said:

That public duty did not stop in 1867 and it has not stopped now.

The minister never made a more important or truer speech than he did on that occasion. I wish to put on record what the owners of the CPR were given at the time they made the contract to which I have referred. As of December 31, 1963, the latest date for which I have figures, the CPR received from the people of Canada grants totalling \$106 million and 44 million acres of land from federal, provincial and municipal governments. This can be broken down as follows: monetary aid and federal cash subsidies, \$53 million; expenditures by the federal government on lines turned over to the company, \$35 million; provincial aid, \$12.5 million; municipal aid, more than \$5 million. The grand total comes to \$106 million. By way of land grants the company received almost 33 million acres from the federal government and 11 million acres from provincial governments. This land includes some of the most important and valuable land in the country. From it has come tremendous corporations such as Cominco and the thriving enterprises at Trail. From Cominco the company had been able to develop its Pine Point property.

The CPR owns huge tracts of timberland. It has been able to establish a most profitable oil and natural gas company by virtue of these gifts of land from the government of Canada. It owns an extremely valuable real estate company. I believe we all know about Canadian Pacific Investments which was formed mainly from the resources and equity flowing from original grants by the people of