

*Railway Act*

responsible for the problems suffered by small business in this country, is here tonight. However, this bill is not about small business, and the minister might be able to learn something about debt forgiveness in the amount of \$808 million.

The late C. D. Howe would be turning over in his grave if he knew that the Canadian government was writing off \$808 million in the bill which is before us now. I believe he got into serious political difficulty one time when he said "What's a million?" We are dealing with \$808 million tonight, a burden we are going to have to take off the shoulders of the CNR.

When I speak about transportation, I like to consult the experts. One of the experts is now the Minister of Industry, Trade and Commerce (Mr. Horner). He used to be the transportation critic for this side of the House, so when I was preparing for this debate I felt I could do no better than look into some of the views of a man who is now in a position to see that his views are confirmed.

In the fall of 1976 the present Minister of Industry, Trade and Commerce was still able to say what he thought, or he was still able to think. I do not know whether either applies today but I would like to quote from *Hansard* for November 6, 1976 at page 14,417. The Minister of Industry, Trade and Commerce, then a civilian, referring to the Minister of Transport (Mr. Lang), said:

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He has bought the line handed down by, I suppose, the civil service which said that we must work on a 'user pay' concept. I have always felt that transportation could serve the people of Canada a great deal better if users had a little more say before they were asked to pay.

That is an excellent principle that the Minister of Industry, Trade and Commerce pronounced in 1976 and I am sure his view has not changed. He went on to say:

The only conclusion I can come to is that the minister seems bent on increasing freight rates, increasing the cost of air passenger travel, increasing the cost of rail passenger travel, and recently, increasing the cost of shipping.

What the minister said then is true still. The Minister of Transport is bent on increasing freight rates, increasing air passenger costs, rail passenger costs and the cost of shipping. Now our former critic is over there helping him carry out those objectives. Time changes all things and the man who was going to tar and feather the Minister of Transport has forgotten all about it.

The principles he enunciated are still correct, however. I am not against lifting this burden of \$808 million off the back of the CNR if it is a burden. After all, it is only taxpayers' money and since the taxpayers do not know they loaned it in the first place they will not worry that they will never get it back.

Before I quote, Mr. Bandeen I want to say that I think he and the people running the CN are a capable group and I have no criticism of them. They had to operate within the conditions set by this government. The Department of Transport is extremely unlucky, Mr. Speaker. Most other departments have been lucky with this cabinet and had a change of minister every six or nine months, so no minister could do too much damage in his short tenure. But the unlucky Department of

[Mr. Crosbie.]

Transport has had the same minister since September, 1975. For 29 months the minister has headed the department and this is really taking its toll on the country's transportation system. Instead of the "whirling dervish" policy, the present policy is that the minister is so effective in punishing the people of Canada and squeezing every dollar of savings that can be squeezed out of the transportation system, that he should be left there at least until the next election when the constituency of Saskatoon-Humboldt will be liberated from the user-pay concept of the minister.

I will mention only part of what Mr. Bandeen predicted would be needed for a profitable CN. In an interview reported in the *Globe and Mail* on February 11, 1977, he said:

Canadian National Railways can be profitable if four main burdens are lifted—

He really meant five but he did not want to mention the Minister of Transport. The report gives the first principle:

The losses from the almost compulsory provision of rail passenger service, estimated by Mr. Bandeen at about \$50 million a year.

Why have railway passenger services at all, Mr. Speaker? Without them we could save \$50 million per year. In the Newfoundland scorched earth policy they eliminated the railway passenger service in 1965. I remember the sign a grateful Mr. Smallwood erected on behalf of the public which said: "We will finish the drive in '65, thanks to Mr. Pearson." The drive was the TransCanada highway of which the federal government agreed to pay 90 per cent of the cost if Newfoundland would not make a fuss about losing the rail passenger service. If Newfoundland has no rail passenger service, why should Canada have a rail passenger service? I say we should look at this Bandeen principle very seriously. It would eliminate losses of \$50 million per year.

The report then gives the second and third principles:

The losses from grain transport at low Crowsnest rates, which he calculated could reach about \$64 million in 1977.

The losses from rail operations in Newfoundland which are in the range of \$22 million to \$23 million a year.

Let us finish off the railway in Newfoundland. We only did a partial job in 1965 so let us do away with the rest of it—take away the rails and sell them! That would be user-pay effective and cost-effective. Mr. Speaker, if the Minister of Transport attempts that we will put the rails around his neck and drop him into the Cabot Strait. The Hydrology Institute has been moved to Saskatoon so the minister is now an expert on water.

To return to the *Globe and Mail* report, it continues with the fourth principle:

The \$2 billion in long term debt, most of it to the federal government, which has been building since the Crown corporation's founding in 1923.

This bill is only the start, the first instalment, Mr. Speaker, because Mr. Bandeen's four great principles include \$2 billion in debt.

I hope I am not speaking too loudly, Mr. Speaker, but I want to make my point. This \$808 million is only the start. The Bandeen plan is to make the CNR profitable. The bill will only do one quarter of one-quarter of what Mr. Bandeen said