

Railway Act

is what we have. That is what applies at best in the case of railway pensions as far as widows are concerned. I say at best because there are provisions, particularly with regard to a widow who married the worker after he went on pension, where there is no pension at all.

There are all sorts of little angles of that sort that put many widows in an even worse position. I contend that the survivor's pension ought to be the same in both cases. I would even say let it be 90 per cent for the husband if he lives on and 90 per cent for the wife if she lives on. Make an adjustment in the contributions to the fund if necessary, but try to achieve equality.

If that is too much to ask for right off the bat, at least the percentage of pension that is payable to a widow ought to be increased. This business of its being 100 per cent for the husband but only 50 per cent for the wife just does not meet modern standards of fairness and decency. I know this is the rule for a lot of other plans. It is the rule in the public service that the survivor gets a pension of only 50 per cent of that of the original pensioner.

In the case of the members of parliament retirement allowances plan, if an MP is on pension and dies, his widow gets 60 per cent. Even that is not good enough. That is not equality, 100 per cent for him and only 60 per cent for her. But having voted 60 per cent for our widows, we should not settle for 50 per cent for the widows of public servants or the widows of railways workers. The railway people through their unions, pensioners associations and so on are asking for 75 per cent for the widow. That is a step in the right direction and probably something that should be sought. I hope that is a move that will be considered down the line.

The pensions of widows certainly ought to be increased. Even without any actuarial change, I see no reason why there should not be some provision for the widow to stay at 100 per cent for a year or two until the adjustment has been made. We are talking about a country where women are to have equal rights. Saturday of this week is International Women's Day. It calls for more than just nice things to be said about the dear ladies. It calls for more equality and fair play. The place I would like to see that is in pensions. The railways have not been fair to the widows of their employees. That is one of the improvements that ought to be made.

That is my view about this. It is not new. I have presented it a good many times. It is highlighted by the fact that we are in the process of restructuring the finances of the CNR. It is also highlighted by the fact that within the last week or so we learned that the CPR is able to pay its president over \$330,000 a year while it pays only \$83 a month as a retirement allowance to the father of the preceding president, a man who gave his life to that company. This story is repeated time and again through the ranks of the railway workers of this country. They deserve a better break. Parliament ought to say that to the railway companies at the time that we are dealing with this bill.

Mr. Peter P. Masniuk (Portage): Mr. Speaker, I am pleased to take part in this debate today on Bill C-17, to amend the Canadian National Railways Capital Revision Act and the Railway Act. This bill is perhaps not as contentious as others we have debated here, but I do not believe that we should rush it through this House and pass it merely for that reason. This is the third time that Canadian National Railways has come to parliament requesting a cancellation of its debt, and while we in this party are certainly prepared to give CN a hearing, I think that reservations about this bill need to be voiced.

Bill C-17 cancels \$808 million of debt which is owed by CN to government. It also cancels the 4 per cent of preferred stock which the government has until now owned in CN. The Prime Minister (Mr. Trudeau) has stated that this will save the Canadian taxpayers \$100 million. This is the total of what is left owing for the remainder of the fiscal year, that is until March 31, as well as that which the government would be required to purchase in fiscal year 1978-79. This sounds impressive, Mr. Speaker, but it must be balanced against the \$65 million of interest which will be lost as a result of the write-off.

This bill is, of course, essentially a financial reorganizing bill for the CN. The \$1.5 billion of preferred stock which the government now has are to be converted into common shares and provision is made for the payment of an annual dividend by the CN. This dividend is 20 per cent of the net income, but whether any of us will ever see it is doubtful, since it is not payable until after the CN's depreciation, interest and taxes are met.

The major thing which this bill does is relieve the CN from having constantly to come to parliament for appropriations to cover its deficits and forgive its debts. This was done in 1933, just ten years after the CNR first appeared as a single unified railroad system. The legislative effort for that, however, was done by a former member for Portage constituency, the Right Hon. Arthur Meighen, in 1919.

Just a few years after that first occasion in 1933, the CNR appeared before parliament in 1937, again to be forgiven its debt. The first time it was \$1.2 billion. The second time it was \$1.8 billion. Even today those figures are very large amounts; forty years ago they were astronomical. Now, in 1978, the debt is for the better part of \$1 billion—\$808 million. I personally do not find this situation acceptable at all.

It is our intention to propose in committee amendments, the purpose of which will be to make the company, through its chief executive officer and board of directors, more accountable to parliament. I suggest the government has not been at all accountable or responsible so far as the railways are concerned, particularly in the west. On May 16, 1973, Chief Justice Emmett Hall released the first volume of his report "Grain and Rail in Western Canada". One of the important recommendations in that report was that 1,813 miles of prairie branch lines found to be of proven traffic potential and regional importance should be reallocated to the basic rail network, which is guaranteed until the year 2000, and that