

*CNR and Air Canada*

tion in western Canada but there are many bulk commodities such as grain, fertilizers, and so on, that must travel by rail. The concentration of CNR management in Montreal makes it unlikely that on-the-spot decisions will be useful to western Canada.

At present the Canadian National transportation, reporting and control system has been introduced in Montreal and the final phase of the TRACS program is to be implemented by 1975. Ultimately, the whole CN system will report to a computer in Montreal. This facility will process the data fed directly into the computer from operations in the field. The information thus obtained will be returned directly to the operations in the field in the form of advance train notices, bypassing the present regional control centres. The information could, and probably will, be used as a basis for administrative decisions, which will greatly reduce the need for regional administrative people. The objectives of the program are commendable if the costs of transportation are reduced and better service is provided to the public.

We will have to live increasingly with the changing technology which will result in the considerable decrease of CN jobs in Manitoba, most of them in Winnipeg. It appears that the centralization which has occurred so far with respect to Winnipeg and other regional operational and administrative centres has been only an interim move. Probably the most significant feature of this centralization of the CN is that the decision-making process will be further removed from the action, at least so far as the west is concerned. Policy made elsewhere will govern, in some measure, day to day life in Manitoba and other parts of the west. This illustrates return to an attempt to control from Montreal substantial segments of the life of western Canada. The CNR, by circumstance, has become a government corporation controlled in the main by federal prerogative. To concentrate the decision-making process so far away from many regions can lead only to misunderstanding. Modern centralization might be advantageous at times and necessary in the interests of efficiency, but centralization of control of a transportation system that is so vital to western Canada should not be carried to this extreme.

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Phasing out the area system with respect to the Hudson Bay region may well be followed by the downgrading of other regions in favour of more centralization in the east. The net result will be loss of jobs in smaller communities and a feeling of remoteness on the part of employees and of the public served by the CNR. The CNR seems to allow situations that are not good to develop, and takes a long time to correct them. But once it starts something the CNR seems to overreact and to create other situations that are not good.

In phasing out station agents in various parts of western Canada both the CNR and the CPR have opted for servo-centres. Presumably, the idea of the servo-centre is that it will give better service to the customer—but it eliminates the station agent in small communities, a person who acted as a public relations man as well as the business agent for the railway. Where conditions are such that a trucker can undertake the work previously done by the railway, he will have the benefit of residing in a small

[Mr. Ritchie.]

community and personally serving business establishments. Servo-centres are impersonal and business contacts with them may be difficult. The inauguration of the servo-centre idea means that the railway has opted out of the business of less than carload lots in carrying freight.

The concept of phasing out an area has created considerable dislocation and alarm in the town of Dauphin due to the possibility of people moving from the area. So many misgivings were expressed by the mayor and council of the town of Dauphin that the CNR issued a public statement in February, 1971. The gist of the statement was that the CNR claimed that 27 jobs would be transferred from Dauphin but 24 new jobs would be created in the servo-centre, meaning a net loss of three jobs. It also suggested that when centralization was completed, possibly another 14 jobs would be transferred or abolished, making a grand total of 17 jobs lost. The CNR also claimed to know of no further plans for attrition. It stated that Dauphin would remain an important rail centre and that any further movement of employees would represent only a small percentage of its work force in Dauphin. In February, 1972, the CNR issued another press release in Dauphin stating that the net employment loss in the town was 39. Canadian National employee groups claim that there has been a loss of 69 positions and the creation of only seven new ones, making a net loss of 62.

The community has lost employment supervisors and staff, an area engineer and complete engineering department staff, an accounting supervisor and staff, an equipment supervisor and staff, bridges and building foremen and staff, administration or general offices and staff, freight and passenger sales supervisors and staff, superintendents of transportation and staff, a road foreman of engines and staff, supervisors of car distribution and work equipment and staff. Again, the CNR has stated that Dauphin will remain an important rail centre, but it does not yet seem to have decided what departments will finally remain there. The phasing out of management in this area has created considerable disquiet. It has caused loss of jobs and has detracted from the importance of the community. Whether railway operations will show increased efficiency remains to be seen. I would hope that when the CNR makes changes affecting small communities it will demonstrate forbearance and will be absolutely sure that the changes it makes will provide a better transportation system.

I would now like to mention the problem of the railway running into the port of Churchill. The possibility of record grain sales this year seems to present a transportation problem. These projected record sales are given in terms of bushels, not in dollar value, and it should be remembered that Canada does not export much more agricultural produce than it imports. There have been reports of ships waiting in Vancouver harbour to be loaded with wheat. There is widespread feeling that more use should be made of the port of Churchill, thus further diversifying our grain handling ports.

Increasingly the railways have been accused of not being able to move sufficient grain to the west coast or even to the lakehead and Churchill. One of the methods by which the port of Churchill could be made more useful would be to undertake an increase in storage facilities at