

*Canadian National Railways and Air Canada*

graph 5 of May's eighteenth edition, page 509, wherein it is stated:

An amendment which is equivalent to a negative of the bill, or which would reverse the principle of the bill as agreed to on the second reading, is not admissible.

In my opinion, the substitution of one particular year for another particular period of time is fatal to the admissibility of the amendment, and I therefore have to declare it out of order.

**Hon. John N. Turner (Minister of Finance)** moved that Bill C-5, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1973, to the 30th day of June, 1974, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, as reported (with amendments) from the Standing Committee on Transport and Communications, be concurred in.

**Mr. Deputy Speaker:** Is it the pleasure of the House to adopt the said motion?

**Some hon. Members:** Agreed.

**Mr. McKinley:** On division.

Motion agreed to.

**Mr. Turner (Ottawa-Carleton)** moved that the bill be read the third time and do pass.

**Mr. Don Blenkarn (Mississauga):** Mr. Speaker, I hesitate to rise again on the same bill, but it should have been withdrawn by this government and not pressed forward, especially in view of statements made by the Minister of Transport (Mr. Marchand) in this House in the past two weeks in connection with national transportation problems.

This bill pumps millions of dollars of money of the people of Canada into Crown corporations running our transportation system. The Minister of Transport clearly said in this House that he is not satisfied, that he cannot control the transportation companies that he is responsible to supervise, and that there is nothing he can do about transportation. The Minister of Finance (Mr. Turner) says, "O.K. fellow; I don't mind that. Here is some more money for the railway company and for the airline. They need the money. Let them have it. We have no control over these companies." The Minister of Transport said he cannot control the companies, yet the Minister of Finance is prepared to finance them. The minister responsible does not know what is going on and has no transportation policy. That is an amazing situation, yet it is the one we are faced with today with this government.

There is no question that the companies probably need some financial support. In the debate today, yesterday and previously we mentioned our concern about the management of the companies. Clearly, the Minister of Transport must have this concern. We are surprised he has not been here for this debate. He is the person who admitted this government has some very serious concerns about the management of transportation in this nation.

[Mr. Deputy Speaker.]

The Minister of Finance says the companies need the money, they are going to get it, here it comes and they can have it. Air Canada can go into new ventures without explaining them to the people of Canada and to this House. The railways can spend money on hotels and towers without the Minister of Transport being concerned about whether the money is being properly or sensibly invested. The Minister of Finance does not understand what is going on in transport. He says he only looks at things in the global view.

● (2140)

The Minister of Transport says he doesn't even look at things, he doesn't understand what is going on, he doesn't even have a transportation policy. Yet here we have a bill before the House, now at third reading, supported by the government and supported, of course, by the New Democratic Party. They don't care about the money of the people of Canada either. They say, "Let's pass this bill and let's give this corporation more money, because the government doesn't have a policy for transportation so we might as well support their policy to pour out money."

I was indeed suprised that the Minister of Finance in the matter of the amendment that he argued was out of order, and which Your Honour ruled was out of order on the basis of previous citations, should suggest that this bill and the royal recommendation is correct and that the government is entitled to subscribe for shares in the Canadian National Railways on the basis of the gross revenue of the company for the year ending December 31, 1973; to buy the 4 per cent preferred shares of the company, even on the basis that they haven't got a statement for the year ending December 31, 1973, at the present time.

So we have an open-ended bill allowing the advance of funds, the purchase of capital stock in the Canadian National Railways, a bill that organizes the purchase of that capital stock, how much we don't know, when we don't know, on the basis of what financial statement and what gross revenue we don't know. And the Minister of Finance does not know. Yet the Minister of Finance was prepared to argue that procedurally this was in order, that he had the right to spend the money, that the Crown authorizes him to spend money. He doesn't know how much money, he doesn't know why so much money, he hasn't any real idea of what is going on in transportation, but let's spend some money—because that is the attitude of this administration.

Let us consider for a moment these 4 per cent non-cumulative preferred shares. They were first set up in the provisions for the refinancing of the Canadian National Railways in the bill of 1952. In that statute there was provision made for the conversion of the debt of Canadian National into preferred shares. The preferred shares bear a dividend if, as and when there are dividends to be declared. Naturally, they never declare a dividend, so the preferred shares never offer any return on investment.

On the basis of the 1972 statement the government is proposing to invest \$43 million in preferred shares in the Canadian National Railways. On the basis of the 1973 statement—and we will never know when the 1973 statement will be available—the government may invest another \$43 million or another \$45 million or perhaps