

*Committee on Railways and Shipping*

believe it is taking away their ambition and the feeling that they can accomplish things in their own dominion.

One of our greatest troubles is that after we have paid for the education of our young Canadians they go south of the border to take positions. Here we have the case of a Canadian-owned railroad building the biggest hotel in Canada and employing foreigners to manage it. I say there can be no possible justification for such action. I say it is a slight to Canadians, and if the people of Canada knew the full facts of the case they would feel they had been slighted in such a way that they would never forgive this or any other government.

I am not trying to harangue the government. I am speaking as a member of the opposition to the government which, I believe, still has the power to let the Hilton people build their own hotel if they believe this enterprise is going to be as good as the government would lead us to believe the Hilton people are going to make it.

I am sure we shall live to see the day, and in the not too far distant future, when the government will be called upon to subsidize this very project in spite of the fact that the miracle workers from south of the border are going to manage it. You know, Mr. Speaker, I was looking over the statement of the Canadian National Railways steamship lines. I know they did not make any money. There may be all the excuse in the world for that, but in looking at their statement I see that there is a bond issue of \$9 million guaranteed by the Canadian government. As a purchaser of bonds I know that simply means that these bonds are as good to the bondholders as Canadian government bonds. Canadian government bonds draw interest of 3 or 3½ per cent. These bonds are paying 5 per cent and they mature, thank God, in the year 1955.

I am sure the public are getting fed up with guaranteeing bond issues for government corporations involving the payment of interest at 5 per cent when the Canadian government can borrow all the money it wants at 2½ to 3 per cent and lend it without interest to the steamship company. The minister has the report right there in his hands. Turn over another page and you will see it. The minister has already discovered it. I am sure when he sits over here in opposition he will remember my words.

**An hon. Member:** You will not be here.

**Mr. Ferguson:** We are being called upon to make this building possible so that people can live in the greatest hotel in Canada.

There was a blunder in the first place in deciding to build it, and in the second place a grosser blunder has been made by appointing foreigners to manage it. Let Canada be for Canadians, for God's sake, and let us stop the nonsense of believing that Canadians cannot manage their own affairs.

**Mr. Thomas M. Bell (Saint John-Albert):** Mr. Speaker, I am tempted to say, with all due respect to the minister, that he should still continue to look at the page that was referred to, because in connection with the setting up of this committee there are two matters that I believe should be given special consideration this year. The first is Canadian National (West Indies) Steamships, Limited. I understand that last year in the committee and elsewhere word was given out that the operations of Canadian National (West Indies) Steamships, Limited, were to be discontinued. This matter was brought up in the house shortly afterward and the then minister of transport, with all due respect to him, landlubber that he was and not being too interested perhaps in the east coast, did say that the steamship service would be continued for another year.

From a quick look at the annual report we see that they have had a fairly successful year of operation. There is a slight deficit, but even with the pessimistic year to year outlook they have been able to put together quite a good year. In my opinion a considerable amount of time should be spent this year in examining the entire operations of the steamship company, and definite plans should be made for a long-range program.

I notice that money is to be taken from the replacement fund for the refinancing plans. I question the right to take money from the replacement fund that is not earmarked for new ships. I also believe that we should be making definite plans for new refrigerated ships and a further continuation of the service that means so much to us on the east coast.

There is also a lesson to be learned so far as the entire merchant shipping business is concerned. In my view a very pessimistic and wrong outlook has been taken. I think the successful year of operations of this steamship line just ended indicates what could be done for our merchant shipping generally if we had farsighted plans and a long-range program. Operations of the West Indies steamships line were planned for one year more. We were told that would be the end of the line, that it would be discontinued; yet even in spite of that they have had a very good year. I earnestly hope I may be present in the committee to see that this matter receives most serious consideration.