

## Oral Questions

## CANADIAN NATIONAL RAILWAYS

WITHDRAWAL OF BUS SERVICE IN NEWFOUNDLAND—  
GOVERNMENT ACTION

**Mr. James A. McGrath (St. John's East):** Mr. Speaker, my question is for the Minister of Transport. Canadian National, by withdrawing its road cruiser passenger service in Newfoundland last night, violated an order of the Canadian Transport Commission in 1968, broke the law of Canada, notwithstanding any dispute they may have with the Newfoundland Regulatory Commission. As minister responsible for the National Transportation Act, does he intend to order CN to resume this service immediately?

**Hon. Otto E. Lang (Minister of Transport):** As the hon. member knows, Mr. Speaker, Canadian National only discontinued this bus service when, in the particular legal dispute it had with Newfoundland, its drivers were beginning to be charged by Newfoundland for continuing to operate its buses in that province. That made it as impossible to continue as though barricades had been erected. Those barricades had been erected by the government of the province of Newfoundland. I am hoping that in the almost immediate future some arrangement can be arrived at whereby the legal issue can be resolved for all time. In the meantime, the buses can continue to operate without that barricade in place. I know there are discussions going on between CN and the province of Newfoundland to that end. I trust they will resolve the issue. If not, I will have to reconsider the position I may have to take to ensure that service is given to the people of Newfoundland.

● (1440)

**Mr. McGrath:** Since the CN has a monopoly on ground passenger service in the province and by withdrawing the service has deprived the people of Newfoundland at a critical time of year of this essential service, in direct violation of the order made by the CTC, may I ask the minister whether he intends to order the buses back into service immediately or whether he intends to provide some alternative service until the dispute has been resolved?

**Mr. Lang:** Mr. Speaker, the hon. member will appreciate that ordering the bus service back into operation, as long as the drivers are being charged for continuing that service, would hardly be an acceptable action. The hon. member will also appreciate that the government of Newfoundland, and its highway traffic board, has jurisdiction in this situation only as a delegate from the federal government. I could obviously take some action by withdrawing that delegation but such a course would have some serious implications in principle not only for Newfoundland but for bus and trucking services across this country. I would want to do that only with great care. My first reaction, therefore, is to suggest that the barriers which I have described and which have been erected by the government of Newfoundland be removed by the government of Newfoundland. The buses would then continue to operate.

REQUEST FOR RESTORATION OF RAIL PASSENGER SERVICE IN  
NEWFOUNDLAND IN VIEW OF WITHDRAWAL OF BUS SERVICE

**Mr. Jack Marshall (Humber-St. George's-St. Barbe):** My question is to the same minister, Mr. Speaker. In view

[Mr. Drury.]

of the fact that CNR are not abiding by order No. 2673, as indicated by the hon. member for St. John's East, but are taking a very unfair attitude by denying the public the only transportation available, and since the bus drivers are not being denied the right to drive the buses, apart from which the company's action prompts dissatisfaction toward the bus service, would the minister now consider reviving the Newfoundland passenger rail service to correct the piracy which occurred back in 1969?

**Hon. Otto E. Lang (Minister of Transport):** Mr. Speaker, any move to reinstitute the rail service would require some planning and I am not sure the people of Newfoundland would see it as an immediate solution in view of the fact that passenger cars are simply not available in adequate numbers to provide the service. Other problems have arisen affecting the railway system configuration since the Bullet was discontinued, which would probably mean even slower service than was the case at that time. I think the only really sensible solution—and I would really urge the hon. member to join me in asking for this solution—is for the government of Newfoundland to make it possible for the bus system to operate. I assure the hon. member that CN is quite pleased to continue to operate the service but does not see how it can do so if its bus drivers are being charged under Newfoundland statutes for doing so.

**Mr. Marshall:** Under the order of 1969 the CNR was supposed to maintain a railway line between central and western Newfoundland to provide service in an emergency. This service is deteriorating and since it is very obvious that the reason for this deterioration is that the public service commission asked the company to reduce its rate increase from 150 per cent to 30 per cent, would the minister look into this matter in the national interest?

**Mr. Lang:** I would inform the hon. member that, in effect, the CNR was not objecting to the reduction in its rate increase to 30 per cent by the Newfoundland Traffic Board. It was quite prepared to live with that ruling but there were other conditions attached which made it impossible for the CN to submit voluntarily to what it did not consider to be appropriate or binding upon it. The simple fact is that the Newfoundland Traffic Board seems to have wanted to take advantage of the best of both situations—on the one hand to exercise jurisdiction as though the bus system were provincial and on the other to explicitly ignore the provincial law itself which requires that the rates which are set by transportation systems be compensatory. If they had followed their own law about compensatory rates they would have allowed even more than the increase permitted but, as I say, even with those qualifications CN was prepared to ride with that increase but was not prepared to abide by the other conditions.

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[Translation]

## AGRICULTURE

## POSSIBILITY OF CHANGING DAIRY POLICY

**Mr. Adrien Lambert (Bellechasse):** Mr. Speaker, I should like to put a question to the Minister of Agriculture.