

Railway Act

way providing a rail passenger service we hope will be much improved on that run between Halifax and Montreal.

We are continuing to work very closely with the Minister of Transport (Mr. Lang) and the Council of Maritime Premiers to develop that concept, which will be supported by all elected representatives in that region, assuring the people that there will be a modern air passenger service linking the four Atlantic provinces as well. There has been much discussion about this much needed service, and various regional air carriers have indicated an interest in developing a corporate structure to carry out negotiations between the airlines and the Department of Transport regarding the possibility of implementing such a service. As I have suggested, this is of vital necessity to the economic survival and industrial development of various sectors within the Atlantic provinces. We must see this modern type of transportation facility implemented at the earliest possible opportunity.

As I said at the beginning of my remarks, I support Bill C-17 and its general objective, to amend the capital structure of the CN by establishing a viable debt-equity ratio, putting the CN on a financially self-sustaining basis.

Again, this is just one of the indicators we have of the determination of the government through the department and the Minister of Transport to improve the atmosphere of the situation, by taking the necessary steps to bring forward the necessary changes to the legislation, thus permitting the CN not only to operate, but operate efficiently, successfully and, as we are now witnessing, in a profit position.

Let me take a few moments this afternoon to indicate my dismay and displeasure over the display we witnessed today by the hon. member for St. John's West who took up the time of the House speaking on practically every subject during the course of his speech other than those contained in Bill C-17. I suppose it is too much to hope that the Leader of the Opposition (Mr. Clark) and his critic for this department will have any success in keeping those members who would speak on Bill C-17 more under control, and in this way not wasting the time of the House.

I suggested earlier that perhaps the opposition critic in respect of the Department of Transport would invite the hon. member for St. John's West to serve on the committee in order to find out exactly what is going on in respect of transportation in Canada. Perhaps then he would show good faith regarding the seriousness of this bill by not taking up any more time in the House, and perhaps even encourage other members on that side to do the same.

Some hon. Members: Hear, hear!

Mr. Harquail: I will now display good faith by not taking up any more time of the House and by concluding my remarks at this stage.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, without the railways I suggest there would have been no confederation. Part of the agreement which led to Confederation was that a railway be constructed to connect the Atlantic

[Mr. Harquail.]

provinces with central Canada, Ontario and Quebec as we now know them. It was part of the agreement which brought British Columbia into confederation that the then Government of Canada agreed to the construction of a transcontinental railway connecting the western and eastern coasts of Canada. Without that east-west railway connection, the natural tendency would have been to move north and south. We might then have had the prairie regions of western Canada drawn into the orbit of the great American plains, with British Columbia simply an extension of the mountainous area of Idaho and Washington states. As I have suggested, there would then be no Canada as we know it today.

Just as there would be no Canada without the railways, without the people of Canada and the financial assistance they provided the developers of the CPR in grants of millions of acres and millions of dollars through guarantees of bonds floated by the company, the CPR would have gone bankrupt, as did many of the railway companies built as separate entities. When they went bankrupt they were amalgamated by a Conservative government into what we now know as the Canadian National Railways.

We know that from the beginning the CPR received generous support from the federal government. People like to use the CPR as an example of an efficient, private enterprise corporation, and often compare it with publicly owned and Crown corporations. I should like to take a few minutes to put on the record some of the facts about the assistance the CPR received from the people of Canada, all of which helped to make it the profitable organization it is today. Let me quote one paragraph from a book entitled "The CPR" by Robert Chodos:

Largely because of the almost limitless aid provided by the government to get the railway started, the CPR was at least a moderate success from the beginning. The total value of that government aid is impossible to estimate. There was \$25 million in cash. Large portions of the transcontinental lines were built by the Government and turned over to the company; those sections cost the public treasury \$37.8 million. There were the lands: initially 25 million acres of land "fairly fit for settlement"—

● (1712)

The book continues:

The company's prairie lands were valued at \$1.50 an acre when it gave back 6.8 million acres in 1886 as partial payment of an emergency government loan; by 1916, however, the company estimated its net proceeds from land sales at \$68.25 million, and carried its unsold lands in its accounts at \$119.25 million.

The land grants helped the Canadian Pacific Railway to become the tremendously diversified corporation it is at the present time. That corporation runs a railway; it is involved in land development through Marathon Realty; it operates an airline business through CP Air; it is involved in the mineral business through Cominco; it is involved in the oil business through CP Oil; and it owns the tremendous corporation known as CP Investment. The corporation is based upon the assistance which it received from Canadians in the early years. At the present time the assets of the CPR are estimated to be over \$5 billion. It was built by the original largesse of Canadians.