## CNR and Air Canada

Air Canada, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, before five o'clock I had intimated I wished to speak for a few moments about the servo-centre concept introduced by the railways. This may or may not be a good concept; perhaps time will supply the answer in this regard. It seems to me, however, that the hearings in western Canada were an exercise in futility. Several members of parliament, the Senator from Saskatoon and a great many individuals from different communities in Saskatchewan, presented briefs at those hearings. For all practical purposes the hearings might not have been held, because in this case the CPR was given leave to introduce the services it sought to introduce. I am concerned that railway service has been downgraded, at least in western Canada, an area with which I am quite familiar. It may be that we should not expect to have some of the services we have had in the past in little villages, but it would seem that at least there should be some, if you like, over-all concept of freight service to the people of these areas. I suggest there is no such service.

In the past there have been unilateral changes of position by individuals and groups who have needed a particular freight service. I refer specifically to federal government changes. First, there is the mail service. At one time the railways provided this service, and finally the government, by putting its trucks on the road or through contract took the service from the railways and provided it in a different manner. Similar changes have been made by various organizations picking off a little business here and there, as it were. Not much in the way of service which paid was left to the railways.

We have Federated Co-operative Trucking using its own trucks, we have the dairy companies hauling their products, we have the buses hauling people and the trucking lines providing services. The business that was left was not profitable for anyone. It would seem to me very unfortunate that such a situation has arisen, at least in our prairie districts, because it means downgrading of service and economic activity. The result is that people are being forced out of business because they do not have the freight service which is necessary to remain operational. We might take the example of a garageman who must be able to obtain parts in order to repair vehicles. When he was unable to do this because of existing freight services he went out of business or moved to another location where these services could be provided. We have seen much of this in the Prairies.

## • (2010)

I could talk at length on this matter but it seems to me we are beating a dead horse. We on this side of the House are not very happy with the way in which the government has managed transportation by rail. We are not satisfied with the way in which the government has handled the pensions of CNR employees. Also, we have complaints about lack of policy and future planning of freight needs. Earlier this afternoon I indicated that Canada's trade with the Orient has increased by leaps and bounds but that transportation service to the west coast has not improved. We find that the capitalization of railways has been inade-

quate in view of the transport needs of the nation. For these as well as other reasons we do not believe the government is entitled to a vote of approval by this House. Therefore I move, seconded by the hon. member for Kootenay West (Mr. Harding):

That Bill C-4 be not now read a second time but that it be read a second time this day six months' hence.

The Acting Speaker (Mr. Boulanger): Hon. members have heard the motion of the hon. member for Battleford-Kindersley (Mr. Thomson). It seems to me to be a proper amendment and the House will proceed on that basis.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I should like to make a few comments on Bill C-4, the annual CNR financing bill. We must remember that the history of Canada in the past 100 years has been largely the history of the railroads, at least in relation to that part of the country west of upper and lower Canada. Because this is a debate which arises every year it provides me with an opportunity to present a few ideas on railway transportation in western Canada in particular.

I should like to say a few words regarding CNR transportation in the Hudson Bay area and the town of Dauphin which I represent. Although the comments I will make are in many respects local, in total the changes are indicative of what is happening all across the country. I am referring to the CNR changes from so-called areas to so-called regions. These changes from area management to centralized regional management have caused considerable disruption of CNR personnel and have been the cause of widespread fear that small communities will lose out so far as jobs and services are concerned. As was stated by the last speaker, there is great disillusionment in western Canada and the feeling exists that many small communities will disappear because of the attitude of the railways, particularly of CNR, with regard to the area that I represent.

The changes mean, in effect, that jobs will be moved from smaller communities to areas of greater concentration such as, in the case of my riding, Winnipeg. It has been said that this area type management has created a situation where there are 18 small railroads corresponding to the number of areas created by the CNR. If this is the effect of the so-called area concept it means that ultimately there will be considerable disruption in the towns and villages which the CNR services, and in fact this is what is happening.

For years the CNR seems to have been making much of the transportation policy for western Canada, and the inactivity and unresponsiveness of the federal government to the needs of the people has been detrimental to western Canada. From the practical point of view, the fact that the CNR has its main office in Montreal means that it views the problems of western Canadian transportation in the context of its location there. We cannot quarrel too much with that, but I think that probably the CNR management does not realize the dependency of western Canada on the railways and the lack of alternative methods of transportation which are available in the east. It has neglected the fact that there is lack of competition in western Canada, which is not the case in the east. The trucking industry has introduced a measure of competi-