

Government Orders

the summer, which is called some kind of a replacement of the Canadian. It is a replacement for the rich but it is no replacement for Canadians. You will see more of that sort of nonsense. If there is anybody damn fool enough to pay \$4,000 to ride a train to eat some caviar and drink some champagne, well, if they can afford it, if somebody can con them out of their money, I suppose that is okay. You won't see any ordinary Canadians riding it.

I hope the government will take another look at this. I hope it will decide that the committee should go into this quite extensively, agree to hear witnesses and take all the time necessary and, more important, not do any finalizing on it until after the Supreme Court of Canada has made its decision.

Mr. Hovdebo: Mr. Speaker, I intend to speak on this bill, but at the moment I would like to ask a question.

The member for Regina—Lumsden is a well-versed member of the House with a lot of experience in transportation and transportation policy. I would like to ask two questions really but one initially.

This particular railway is being established to move grain on a particular branch line which was up for abandonment. Would the member tell me where the money to operate that particular railway is coming from under the present structure of payment for the movement of grain under the Western Grain Transportation Act?

Mr. Benjamin: When the Central Western Railway was being organized, their banker, upon looking at an obscure clause in the Railway Act, said that any revenue the company gets should go first to operating expenses and then to debt reduction. So the banker backed out.

Under the Western Grain Transportation Act, under which the government paid 80 per cent at that time of the cost of transporting grain, the partners of the Central Western Railway got a prepayment on those costs of moving grain, a grant against tonnage to be subsequently hauled. After negotiating with Canadian National, they got CN to agree to carry better than half of the \$2.7

million price-tag they owed. That meant the Central Western partners owned a railway.

I spoke about a mortgage. I believe that is the one they are now paying back to Canadian National, something in the order of \$1.5 million. The money was obtained under the Western Grain Transportation Act initially as a prepayment. I suspect that they are now getting money in the normal way. I am not certain, but I believe they could be getting money under the Western Grain Transportation Act, getting paid in the normal way as and when grain is hauled and delivered, and then making payments on their mortgage to Canadian National.

One other way in which they make some revenue is a steam locomotive and three or four heritage-type passenger cars which they run up and down that line in the summer. They haul people who want to ride a steam train. I do not know why the CNR did not think of that. That is about the only two ways in which they derive revenue.

I may say also that they have anywhere from 18 to 25 employees, depending on the time of year. Most, if not all of them, are shareholders in the company and most, if not all of them, used to work for a railway somewhere else in Canada or the United States such as CN or CP. I believe one or two are Americans. They are people who took early retirement, or got laid off indefinitely. They could see the handwriting on the wall, so they quit. As far as I am aware, they are all experienced railroaders, which is probably the main reason for whatever success CWR has had.

Mr. Deputy Speaker: There is approximately one minute left for both the question and the answer.

Ms. Mitchell: Mr. Speaker, I would like to ask a question of the member who is an expert on rail transportation. If there is not time, perhaps we can give notice and debate it a little later.

What things does the hon. member think are needed in order to upgrade, improve, modernize and make more efficient the connections between the transportation of grain into ports such as Vancouver to make us competitive with the American transportation system where, of course, they have double-decker trains and many more efficient methods of transport? As a result, this is taking business not only from rail transport in Canada but also from our Canadian ports.