

place than it was previously. Those who have been associated with him here realize that he succeeded to a great extent in bringing that improvement about. He has had a very distinguished career in the Parliament of Canada, and I know that I speak for all honourable senators when I say that when he leaves us in the not too distant future we will miss him very much. We know, however, that he goes to another sphere of activity in which he will have the opportunity of representing Canada with distinction, and with credit to himself as well as the people who sent him there.

Hon. Senators: Hear, hear.

Senator Cameron: Honourable senators, coming now to the Speech from the Throne, I believe you will agree with me when I say that it was one of the longest speeches we have had—certainly since I came here 19 years ago. It presented a bill of fare which will keep us busy and active in this chamber for many months to come. However, it is a challenging bill of fare, to which I am sure all members of this chamber will respond, as they have so well in the past.

As I listened to Senator Grosart yesterday I was reminded of a favourite uncle escorting his recalcitrant nephew to the woodshed. He seemed to say, "This hurts me more than it hurts you", and proceeded to administer a milder spanking than he usually gives the government. I hope this is an example of the amelioration that comes with age, and increased wisdom and generosity.

I wish to make one or two comments as a preamble to my remarks regarding the Speech from the Throne. Reference was made to the need for developing comprehensive programs with respect to resource development. In my opinion, as one who comes from a province in which this is a matter of major concern, where the provincial government is expected to take in revenues of over \$100 million a year for the next 10 years from the development of resources, this represents a tremendous challenge and an opportunity—a challenge to expend those funds wisely and not extravagantly. I am sure that our friend Premier Lougheed will bring good judgment and wisdom to his task in dealing with these tremendous resources.

But this is only the beginning. Last summer some of you were in the northern part of Canada, and visited the tar sands. You saw something of the tremendous wealth that lies buried in an area of 250 miles in length by 40 or 50 miles in width. The tar sands are anywhere from three to as many as 250 feet in depth, and are covered by an over-burden of two or three feet to as much as 200 feet. It would be a good thing if all members of this chamber and of the other house had the opportunity of seeing the tar sands, one of our many rich resources.

● (1520)

As a matter of fact, I do not think Canadian parliamentarians do enough visiting to various parts of the country to familiarize themselves with our resources and what is being done about them, in order to be able to make a contribution in Parliament based on informed opinion.

In participating in today's debate, I want to confine my remarks to one segment of the Speech, namely, transportation policy. I shall begin by reviewing briefly the history of transportation in Canada, and then turn to some of the problems which are particularly challenging today.

[Senator Cameron.]

The Canadian Pacific Railway had its beginnings in 1871 when the then Prime Minister, Sir John A. Macdonald, promised the construction of a transcontinental railway to induce the remote colony of British Columbia to join Confederation.

I am sure that some people in central Canada are not sure whether British Columbia has even yet joined Confederation, but, as a near neighbour of that very rich and exciting province, I assure honourable senators that Alberta usually finds itself lined up side by side with British Columbia in the battles which take place on matters affecting central Canada.

For three years after Sir John A. Macdonald made his commitment to British Columbia the federal government negotiated with various syndicates to meet its pledge concerning construction of the CPR. Failing in this, the government undertook in 1874 to do the work itself. However, progress was so slow that negotiations with private groups continued, and in 1880 an agreement was reached with the Pacific Railway syndicate. It became apparent, as construction progressed, that the syndicate had taken on more than its financial resources could handle at that time.

Early estimates had placed the cost of construction and equipment at \$100 million, although long before the road was half finished it became clear that the estimate was not sufficient. Salaries of construction crews had risen to the point where the syndicate's finances could not pay them. The company then turned to the federal government for aid, and a loan was provided on condition that the Pacific Railway syndicate put up some of its unsold and unpledged lands as security. In 1886 it had to give 6.8 million acres to Ottawa as partial payment for the loan. Nevertheless, this arrangement allowed the railway to be completed in 1885.

In addition to this loan, the CPR received very generous concessions from the government towards the construction of the railroad, and tremendous land grants. The original concessions consisted of \$25 million in cash, 25 million acres of land, and freedom from taxation for some years on land holdings and corporate revenues. That is, lands granted to the CPR were to be free from taxation for 20 years or until sold, and properties used for railway purposes were to be free from taxation forever. It would be interesting to have a dollar value placed on this latter concession, but I have not been able to see even an estimate of what that value might be.

I propose to read from *The CPR: A Century of Corporate Welfare*, by Robert Chodos, as follows:

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 line was built by the Government (i.e. between 1874-1880) 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'; then when the railway decided to extend its line to the western end of Burrard Inlet, fourteen miles beyond the original Pacific terminus at Port Moody, it demanded and got