

• (8:40 p.m.)

These hotels are, in effect, owned by the people of Canada and they should be governed by the minimum wage laws of Canada. We shall expect the officials of the railway, when they appear before us in the committee, to tell us why this cannot be done. I understand the Chateau Laurier hotel has recognized the minimum wage and that as a result of the new contract arrangements none of the employees are receiving less than the federal minimum wage of \$1.65 an hour.

If this can apply to the Chateau Laurier hotel in Ottawa, why cannot it apply to CN hotels across the country? Rates are very much the same; the traffic is very much the same. In the case of the hotel in Newfoundland, I know for a fact that it is operating at capacity most of the time. I do not know what the situation is at present, but I recall that for a period it was one of the few CN hotels across the country operating in the black. I shall want to hear good arguments on the part of the company in support of its contention that it cannot pay the minimum wage in all its hotels.

Perhaps the officials will tell us that the whole matter is sub judice because it is before the courts. I am not prepared to accept this argument because the matter before the court concerns only one hotel in one province of Canada. I want to know about the situation in all the CN hotels, not only in Alberta where CN is currently contesting the right of the unions to expect the company to honour the minimum wage law.

Before resuming my seat I should like to refer to our national airline. Service is not as it should be. Generally we are proud of Air Canada but there are regions where service has deteriorated. We shall place before the airline evidence which I think will show that there has been in some regions a falling off in service. A contributing factor is the morale of the staff which today is at an all-time low. The ground personnel are insecure; they do not know from one day to the next whether or not their jobs will be there. In my own province of Newfoundland—and I speak from personal contact with these people—they are discouraged and demoralized. There have been lay-offs and there are rumours that there will be additional lay-offs. How can people who have chosen careers for themselves with Air Canada operate efficiently in such an atmosphere and contribute to providing the service for which the airline had a unique reputation? Hon. members will note that I used the past tense—"had".

I do not believe the argument that the reduction in staff stems from a general appraisal of the airline industry throughout North America is a valid one. Air Canada is not an airline like the others. It is publicly-owned; it belongs to the people of Canada. The people have the right to expect the good service they always had from Air Canada, and I believe they have the right to expect the airline to treat its employees fairly and not to hold this cloud of uncertainty over their heads. I have tried to get the Minister of Transport to reassure us in this regard, and we shall endeavour in committee to get some assurance from the airline that they have reached the end of their lay-offs.

Canadian National Railways

One does not have to leave Ottawa to know what is happening. Ground personnel are being moved from Ottawa to Montreal ostensibly to centralize the reservations and ticket service and make it more efficient. I wonder if efficiency is not being used as cover to justify further staff reductions. A number of those employed by Air Canada are not bilingual, just as there are many millions in this country who do not have the advantage of speaking both of Canada's official languages. I am wondering exactly how serious this factor is in influencing the decision to move the reservation and passenger service from Ottawa to Montreal. A definite statement should be forthcoming from the airline making clear what its intentions are and explaining how it proposes to justify this move.

Finally, a case could be made for eliminating some of the costly services. For example, I find it difficult to justify the first-class service provided on domestic lines. I think this is a useless appendage and a waste of money. Most of the airlines flying domestic routes in North America have eliminated first-class service. A case can be made for it on transAtlantic, transPacific or transcontinental routes, but in the case of domestic runs within the country it is ridiculous to maintain two-class service. This is one way in which the airline could reduce operating costs and increase its revenues.

I say once again that it is a frustrating experience to have to go through this exercise once a year. As Members of Parliament in the discharge of our responsibility we are bound to voice our concern, make our recommendations and offer our criticisms of the airline and of the railway in the process of examining this financial bill. After all, this is what we are here for and this is where it should be done, while we are in the process of voting funds for the operation of these two important Crown corporations.

It is a matter of regret that neither the Minister of Transport nor his parliamentary secretary are here. They should be here. They should listen to the observations which Members of Parliament have to make in the course of this debate. They should themselves take part in the debate, examine the observations which have been made and where possible make announcements of the government's intentions with respect to these important matters.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, every year we are faced with the problem of bailing the national railway out with this finance bill. It is funny that no one has suggested that the debate be curtailed just to financial matters.

An hon. Member: Don't give them ideas.

Mr. Peters: Changes have been made which are advantageous. I do not wish to discuss those changes except to say they are long overdue. We are all pleased that there has been a change in the pension plan. One of my hon. friends asked why the government had waited so long. He has been here only a year or so, but my hon. friend from Winnipeg North Centre (Mr. Knowles), who has been here forever, says this is a matter he has been raising here forever. So the wheels grind very slowly