

"Where rate is 0 to 49c a ton, 15c a net ton of 2,000 lb.  
 "Where rate is 50 to 99c a ton, 25c a net ton of 2,000 lb.  
 "Where rate is \$1 to \$1.99 a ton, 40c a net ton of 2,000 lb.  
 "Where rate is \$2 to \$2.99 a ton, 60c a net ton of 2,000 lb.  
 "Where rate is \$3 or higher a ton, 75c a net ton of 2,000 lb."

It is unfortunate that through rates do not apply on movements of coal and coke to Canadian points. Prior to the McAdoo order, the rate on anthracite in U.S. territory was \$2.15 to Buffalo. Under the McAdoo order that rate became \$2.60. The present Buffalo-Toronto rate is 81c. Under the McAdoo order that rate would become \$1. The increase on the McAdoo order, if the traffic moved under a joint tariff, would be held down to an increase of 50c in all; a difference of 14c, as against an increase under the present system of 64c. This matter is entirely out of the hands of Canadian railway companies or this board.

**Iron Ores.**—While commodity rates were generally advanced by the Interstate Commerce Commission, iron ores were made an exception in Canadian eastern territory. This board increased the rates on them 15%. The McAdoo order deals with the movement of this commodity as follows:—

"30c a net ton of 2,000 lb. except that no increase shall be made in the rates on ex-lake ore that has paid one increased rail rate before reaching lake vessel."

The reference to an increased rail rate in connection with the boat movement does not of necessity show any general increase in the iron ore rate. The board is not advised of any general increase in U.S. territory. The effect of the 30c increase is to give a greater increase than that already given by the board on all traffic carried at a rate of less than \$2 a ton, while it holds down the increase for the longer movements. To place the increases on a parity, the board's increase of 15% should be struck out and 30c a net ton added to the former Canadian rate.

**Stone, artificial and natural, building and monumental, except carved, lettered, polished or traced.**—In U.S. territory the Interstate Commerce Commission by its order of Mar. 12, 1918, increased the commodity rates, with certain exceptions in which stone is not included, by 15%. The board made a similar increase in its judgment of Dec., 1917, in eastern territory. The increase in the McAdoo order amounts to 2c per 100 lb., and the like increase will follow in Canadian territory.

**Stone, broken, crushed and ground.**—This stone is of low value and for that reason the Canadian board held down the increase in its 15% case to a flat addition of 5c a ton. An increase was allowed of 15% in U.S. territory. As many of the hauls are comparatively short, there probably is not much disparity in the results in the two countries; the Canadian increase would be somewhat the smaller. The advance under the McAdoo order is 1c per 100 lb. The same increase should be made in corresponding Canadian territory.

**Sand and Gravel.**—These rates are in exactly the same position as stone, broken, crushed and ground. The McAdoo order allows a similar increase of 1c per 100 lb., and the same increase should be allowed here.

**Brick, except enameled or glazed.**—Similar increases have been granted in both countries by the respective commissions. The McAdoo order allows an advance of 2c per 100 lb., which should also be permitted in Eastern Canada.

**Cement.**—An increase of 15% has already been made in Canada. Specific ad-

vances were also allowed by the Interstate Commerce Commission on Jan. 15, 1918, is so far as a very large amount of traffic in U.S. territory is concerned. It is impossible to state what the actual results of the increase over the whole field may be, increases having been made in both territories, some of those in the U.S. being much heavier than the Canadian increase of 15%. The increase under the McAdoo order, which amounts to 2c per 100 lb., can be applied.

**Lime and Plaster.**—Lime is not excepted from the increase of 15% in commodity rates given by the Interstate Commerce Commission and already has been increased by the board 15%. The addition of the increase under the McAdoo order of 1½c per 100 lb. in Eastern Canada will restore the parity.

**Lumber and other forest products not otherwise herein specifically dealt with.**—An increase of 15% was granted by the board in Eastern Canada. An increase was also given in U.S. eastern territory by the Interstate Commerce Commission, but the increase made by the Interstate Commerce Commission was held down to an increase of 1c per 100 lb. In order to put the increase on a parity, the increase of 15% already allowed by the board will have to be taken off, and 1c added to the former tariff, which will then be increased by 25%, but not exceeding 5c per 100 lb.

**Pulpwood.**—The Canadian board allowed an increase of 15% on pulpwood. In the Maine and New Hampshire districts, where pulpwood is produced and comes directly into competition with Canadian pulpwood, the U.S. railways put into force an advance of 15% before the McAdoo order was made, and on international business the increase granted by the McAdoo order, which amounts to 25%, but not exceeding 5c per 100 lb., is already in effect. Parity is, therefore, obtained by increasing the present rates in Canada as provided by the McAdoo order.

**Cordwood, slabs and mill refuse for fuel purposes.**—The rates on these articles were advanced 15% in Canada under the board's judgment. Under the Interstate Commerce Commission order an increase was granted of 1c per 100 lb. in some instances and 15% in others. Under the McAdoo order the rates take an advance of 25%, but not exceeding an increase of 5c per 100 lb. Taking the rates for a 60-mile haul, the Canadian position is as follows:—Prior to the 15% increase, the rate was 4¼c, the increase being to 5c. Applying the McAdoo order on the present Canadian rate of 5c, the rate would become 6½c. A considerable quantity of cordwood is hauled 125 miles. The old rate for this distance was 5¼c; the 15% case made it 6c, and the McAdoo advance would make it 7½c; while, if the Interstate Commerce Commission's increase of 1c was added to the original rate and the McAdoo increase added, the rate would be 8c. The railways' attention has been called to the fact that owing to the shortage of coal it is desirable that as much cordwood be carried as possible. While the railways insist that the expenses to which they have been put, having particular regard to the recent increase in wages, are such that the whole increase of the McAdoo order would be absolutely required, under the circumstances they raise no objection if, instead of applying the full increase, a flat increase of 1c over the present rate is applied to the whole movement. The result would be that the increase on this commodity would make the new rate for 60 miles 6c instead of 6½c. and for 125 miles 7c instead of 7½c.

**Wheat.**—The board advanced the rate in eastern territory 15%, subject to a

maximum increase of 2c per 100 lb. The Interstate Commerce Commission had advanced the rate in U.S. territory 15%, without limiting the increase by a maximum. Comparative increases will be secured by the companies carrying the board's former judgment into effect, without the limit imposed of 2c per 100 lb., and adding the increase provided by the McAdoo order, which amounts to 25%, but not exceeding an increase of 6c per 100 lb.

**Other Grains, Flour and other mill products.**—These rates should be treated in the same way as the wheat rates. The McAdoo order in dealing with them reads:—"25%, but not exceeding an increase of 6c per 100 lb., and increased rates shall not be less than new rates on wheat."

**Livestock.**—Similar increases have been made in both countries by the respective commissions. The McAdoo order increases the rates 25%, but not exceeding an increase of 7c per 100 lb. where rates are published per 100 lb., or \$15 per standard 36-ft. car where rates are published per car.

**Packing House Products and Fresh Meats.**—An increase of 15% has been made in both countries by the respective commissions. The McAdoo order makes a further increase of 25%, except that the rates published from all Missouri River points to Mississippi River territory and east thereof shall be the same as the new rates from St. Joseph, Mo. The exception is without significance, having regard to territory contiguous to Canada. The adoption of the McAdoo order will make a parity of increase.

**Bullion, base (copper or lead), pig or slab, and other smelter products.**—15% increases have already been granted in both countries. The McAdoo order increases the rates 25%, and may be adopted.

**Sugar, including syrup and molasses, where sugar rates apply thereto.**—A 15% increase was granted by the Interstate Commerce Commission. A 15% increase was also granted by the board. Canadian eastern territory is contiguous to U.S. territory covered by the Official Classification. Under the McAdoo order, sugar rates are to be advanced 25%, except that where the Official Classification applies the 5th class rates as increased will apply. Commodity rates for sugar were in effect in U.S. eastern territory prior to the McAdoo order and are today in effect in eastern Canada. Sugar classifies 5th class, and only moves on 5th class in so far as the all rail movement from eastern to western Canada is concerned. The district covered by sugar commodity tariffs stops at North Bay, on the Grand Trunk, and at Sudbury on the C.P.R. The effect of the McAdoo order is to increase the rates on sugar between points in the U.S. formerly covered by commodity tariffs to a greater extent than 25%. For example, the former commodity rate on sugar from New York to Detroit was 24¼c. Under the McAdoo order it now becomes 35c, an increase of 42%. From New York to Chicago the commodity rate was 32½c; new rate 45c, an increase of 43%. The New York to St. Paul and Duluth rate was 38½c; new rate 65c, an increase of 69%. As the commodity rates in Eastern Canada were not based on any fixed proportion of the 5th class, the percentage of the resulting increase would change in almost every instance. As similar increases were made in both countries before the McAdoo order, the parity of treatment in increases will be obtained by providing for an increase of 25%, except that in Canada, where the Canadian