

the same manner as it has power over freight tariffs. The amendment, which would insert the words "except section three hundred and thirty-two A", is designed to take these tolls out of the provisions which relate only to freight tariffs, which are expressed in blocks or groups. This is not the basis upon which telephone and telegraph rates are made. It is therefore necessary to make clear that section 332A does not apply to subsection 4 of section 12.

The amendment was concurred in.

The bill was reported, as amended.

THIRD READING

The Hon. the Speaker: Honourable senators, when shall the bill be read the third time?

Hon. Mr. Robertson: With leave of the Senate, now.

Hon. G. P. Campbell: Honourable senators, I move, seconded by the senator from Ottawa (Hon. Mr. Lambert), the following amendment:

Page 6, lines 46 to 48 and page 7 lines 1 and 2: Delete paragraph (f) and substitute the following:

"(f) arbitraries and rate groupings applicable to movements of freight traffic so far as such movement takes place upon or over all or any of the lines of railway collectively designated as the "Eastern lines" in the Maritime Freight Rates Act as amended by The Statute Law Amendment (Newfoundland) Act, or"

If you refer to the appropriate section of the bill before you, you will see that the only change in language made by this amendment is, first, to strike out "rates" and substitute therefor "arbitrarities and rate groupings", and then add the words, "so far as such movement takes place upon or over" the Eastern lines.

For the benefit of honourable senators who were not at the committee meetings, I think I should briefly refer to the history of this section and the discussions which took place upon it. From my observation of the debate this evening, I assume that all honourable senators are anxious to see the legislation spelled out in particular and exact form, and many honourable senators seem to feel that we should not leave too much to the Board of Transport Commissioners. For that reason I think they will be particularly interested to hear what I have to say about this section.

When the bill was drafted and presented to the other place, this paragraph (f) in subsection (4) was not in it. Apparently it was the understanding of the drafters that the rights of the Maritimes under the Maritime Freight Rates Act were fully protected without having in the Act any such provision as is

contained in this paragraph. However, it transpired during the hearings before the committee of the other house that the Maritimes were somewhat concerned as to whether the rights they enjoyed under the Maritime Freight Rates Act were fully protected; and I may add that I think everyone agrees that if any doubt exists there should be legislation to protect the rights they enjoy under that Act. As a result, the amendment which is contained in paragraph (f) was inserted, and when the bill came to us it contained this paragraph. During the second reading I drew the attention of the house to this particular clause, and I pointed out the possibility that it could be construed in a much wider sense than was intended: in other words, rather than simply reserving to the maritimes the rights which they enjoyed under the Maritimes Freight Rates Act; it took them completely out of the provisions of equalization as contained in the bill and enabled them to claim the right to a freight rate on exactly the same basis as they have at the present time. I said I felt that the statute was capable of that interpretation, and that it might be argued that it was the proper interpretation to put upon this legislation. I further expressed the view that, if that were so, some consideration should be given in committee to this section, because I was certain that it was never the intention of the government or the drafters of this bill to extend the rights of the Maritimes beyond what they enjoy under the Maritime Freight Rates Act.

When the matter was being discussed before a committee of this honourable house, questions were directed to witnesses as to the real meaning of this particular section. Mr. Knowles gave evidence before the committee, and I asked him a question or two which, with the leave of the Senate, I will read from the record, page 164:

Hon. Mr. Campbell: You say the intention of this legislation is to have a separate rate across Canada on freight originating within the Maritimes?

Mr. Knowles: Yes, to leave the present rates alone.

Hon. Mr. Campbell: Would that not completely destroy the policy of equalization as enunciated in the bill?

Mr. Knowles: It would, as far as the Maritimes are concerned.

Hon. Mr. Campbell: And it might have a very serious effect upon certain shippers in the central provinces, particularly those from Quebec and Montreal?

Mr. Knowles: If you are talking of rates between the East and the West, no, sir, because the rates between the East and the West are already on a higher basis than the rates anywhere else in Canada.

Hon. Mr. Campbell: But they would not be, after the rates were increased in the central provinces, as they surely would be under this legislation?

Mr. Knowles: Well, I do not know as to that.