

Transportation

have people coming here, and I suggest that the minister will not be Minister of Transport for very long. Unless this problem is met he will not be Minister of Transport. You can see it coming over the horizon.

An hon. Member: Through the fog.

Mr. Kindt: As I mentioned before, you must have competition, and there is not sufficient competition to force the railroads to set proper rates.

Some time ago I made some studies for the establishment of a big steel corporation which would involve \$100 million. I thought that the plant should be located in a certain place, and I discussed this with my principals. I went to New York, and there I completed my studies concerned with financing. I do not mind telling the minister that the reason, in the end why we could not recommend that the plant be located in a certain spot was that the people in New York would not finance the plant. They would not finance one where there was not a competitive railroad line.

You run into the situation all over western Canada of not having competing lines. Is this government going to allow railroads to raise rates indiscriminately?

Mr. Pickersgill: We are not.

Mr. Kindt: Are you going to allow them to raise rates at all? The minister could not say that last week when I asked him about coal shipments. He said that the matter would be studied in committee, and he kept repeating that it would go to the committee, and how gracious and farsighted this committee is going to be.

That is not satisfactory to the people in the west who are thinking this thing through, and who have to live with it. They want to develop their country. They do not want to put their earnings out on transportation charges.

I do not intend to talk for much longer. Already I have talked far longer than I had intended, and I would not have done so were it not for the fact that this is one of the most far-reaching pieces of legislation ever to be placed before this parliament, so far as western Canada is concerned. I know that this legislation has affected the east, as well as other places. But we in the west will be very, very careful of what goes into the legislation, and how it will be carried out.

My colleague has already talked about the Crownsnest pass agreement, and the minister

has given the assurance, and it is worth repeating, that those rates with respect to grain are not to be disturbed. Now the minister says—and this is provided for in the legislation—that studies will be made by the commission to see how much money is being lost on grain.

Mr. Pickersgill: If any.

Mr. Kindt: Well, the commission is going to cost study this matter. Whose figures will it take? I am talking about costing. Whose figures are to be taken? You see, the government is going about it the wrong way. The figures you will get on costing, and then take money out of the public treasury to support, are not those which should be used in arriving at what should be paid under any Crownsnest pass agreement—because that agreement is supposed to remain the way it stands. We have talked about that for years.

The people settled in western Canada along the railroad lines because they had transportation, and because they were encouraged to do so by the Canadian Pacific Railway Company and the government. If you are going to increase the rates for those people who have spent their lives there building up the area, forcing them to pay additional rates—

Mr. Pickersgill: We are not.

Mr. Kindt: They will have to pay additional rates on many things, which will enter into their cost of production. The rates are to be left to competition between the trucking lines, and the railroads.

Mr. Pickersgill: And air.

Mr. Kindt: There is competition from trucking, of course, but that may not provide the answer in maintaining and keeping the good will with respect to the bargain made with the farmers, when they went into the west and homesteaded that country. They are there, and they have done a good job, but they will not sit idly by and let some minister of transport permit the railways to pull up the tracks, or to set rates that will increase the cost of production which, in turn, will raise the costs to all the people of the west. If the railways do that, those people will be down here, talking to the minister.

As for the air lines, I must say that they would improve with competition. I am a great believer in competition. If even the