

other words, we are asking parliament to set down the principle that the shippers should be treated equitably under similar circumstances.

Mr. REGAN: Could you illustrate by way of example how you feel discrimination might be applied in the absence of such prohibition?

Mr. PAUL: It could be applied in many ways. It could be applied in favour of large shippers as against smaller shippers. One of the factors that was discussed under this item was that one of our railways, the C.P.R., now has quite a controlling interest in other areas of industrial activity and it would be possible for them to give preference or preferential treatment to companies in which they are interested. Now that is a possibility. We are not implying that this is going to be the result but there are these areas where we feel there should be a safeguard.

As has been pointed out in our brief, this so-called safeguard in section 370 is not sufficient, we do not think, to take care of that. We feel that with a guiding line in the national transportation policy we could then safely leave all the rest of the regulations to the transport commission or some other court of appeal.

Mr. CUNNINGHAM: If I might add to that. In connection with this section, the railways would be free to set rates, set prices, without any controls; whereas we, as an industry, have the combined legislation, we have price control. We feel that this appeal board would act primarily as a policeman so to speak, where we would have some body to appeal to if we felt we were unjustly discriminated against. We are not concerned too much that the railways will misuse this power. We just feel that 10 years from now it may be that there will be a change in people, a change in attitudes. It takes quite some time to amend legislation. We feel we would like to have this appeal board in case any shipper and member of our league wishes to appeal.

Mr. REGAN: Do you see any danger of discrimination among users? Do you see a danger of discrimination of the railways arbitrarily deciding that certain cargoes would use certain ports of entry and exit and others would use other regions? Do you see this as another form of possible discrimination?

Mr. GRACEY: In exactly what way? Do you mean Canadian ports?

Mr. REGAN: Suppose the railways decided it was in their best interest to have potatoes shipped through one particular area, through one particular port, could they not then quote such a rate on potatoes to that particular port that it would be discriminatory against other areas, other ports?

Mr. CUNNINGHAM: I guess we would have to say yes, they could practise discrimination. However, we do not think they would. We think they would encourage the long haul as much as possible through Canadian ports and we also think that competition between the C.N.R., the C.P.R., and the trucking industry would overcome any discrimination between some of the Canadian ports.

Mr. REGAN: Thank you.

Mr. PASCOE: Mr. Chairman, one of the witnesses, I am not sure which, said that this Canadian Industrial Traffic League had about a quarter of its membership in the west.

The VICE CHAIRMAN: Mr. Gracey pointed this out.

Mr. PASCOE: I take it that your league is mostly concerned about rates, and so on. Do you not have any opinion on branch line abandonments in the west? You do not mention that at all. That is one of the big things in this bill, Clause 72. Have none of your members expressed any interest in it?

Mr. GRACEY: We are not opposing any change in the present arrangement of Bill No. C-120 for branch line abandonments.