

Before His Excellency the Governor-in-Council:

In the appeal of the Winnipeg Board of Trade (Shippers' Section) from the decision of the Board of Railway Commissioners for Canada on the application by Canadian Railway Companies for a recommendation to the Governor-in-Council under the War Measures Act for a general advance in freight and passenger rates. (B.R.C. File 87840.)

Explanatory Note—The Government of Manitoba, the Canadian Council of Agriculture, the Western Retail Lumbermen's Association, the Retail Merchants' Association of Canada, and others are associated with the Winnipeg Board of Trade in the appeal.

The case was set down for hearing by the Cabinet Council at Ottawa on January 24. Mr. H. J. Symington, K.C., for the Province of Manitoba presented a part of the argument for the appellants during the morning. At the commencement of the hearing in the afternoon the Prime Minister, Sir Robert Borden, announced that the Cabinet Council would prefer to receive printed arguments from all the parties interested in the appeal. With that understanding in view he suggested that Mr. Symington conclude his address. The Government, he added, would then adjourn the hearing until March 1. This would enable both the appellants and the railways to present printed arguments. An Order-in-Council would be passed suspending the advances in rates that had been fixed for February 1, and no change in the rates would be made until after the appeal had been decided by the Cabinet Council.

This argument is submitted in accordance with the arrangement made by the Right Honorable The Prime Minister.

The Winnipeg Board of Trade (Shippers' Section) concurs in a general way with the argument offered by Mr. Symington, both with respect to his criticisms of the judgment of the Board of Railway Commissioners and his suggested solution of the problems in connection with railway transportation in Canada. We beg to draw the attention of his Excellency the Governor-in-Council to the memorandum attached to our petition of January 5, 1918, in which we set forth some of the reasons why we objected to the judgment. (A copy of this memorandum is printed as appendix A.) Our objections were embodied in the petition of the Government of Manitoba, and were elaborated by Mr. Symington in his presentation. As Sir Robert Borden has expressed on behalf of the Government a desire to have duplication eliminated in the balance of the argument, the Winnipeg Board of Trade does not deem it necessary to furnish detailed or statistical material in support of the contentions advanced in its memorandum. Our presentation must, therefore, be confined principally to a general review of the judgment and a statement of the remedy or remedies we offer as alternative solutions of the railways' financial problems.

The application of the Canadian Northern Railway Company, as set forth in the judgment, is based on the assumption that higher rates are necessary if transportation service is to be "adequately sustained." We take issue with that contention, and find that at the bottom of p. 424 of the judgment the Chief Commissioner gives the real basis of the application. He says it is "entirely in case of the railway companies' finances, and not primarily, if at all, for the purpose of improving facilities and service." In other words the application is filed and discussed on one basis, while the judgment deals with the subject from a totally different standpoint.

The change thus made is highly important in the consideration of the facts adduced. The support given to the application by the Toronto Board of Trade, the Montreal Board of Trade and associated business organizations, the Retail Coal Dealers' Association, the Saskatoon Board of Trade, and the Canadian Manufacturers' Association was undoubtedly a factor in determining the course followed by the Board, because evidence of that support is