

*Transportation*

respect are already sufficient. Indeed, the railways are earning money today by transporting grain at the statutory rate. The Canadian Pacific Railway is certainly being recompensed by returns from grants of land made when the transcontinental line was being completed. What I am trying to say is that the statutory agreement on rates was reached as part of a broader agreement whereby the C.P.R. received lands and money grants for building the line. In addition to the money it is earning by transporting grain the company should take into consideration the return it is getting from the crown lands which were granted and from the money which it received.

The minister has heard many arguments in this connection and I do not intend to repeat them all. What I wish to do is put on record opinions expressed in some of the briefs which support our arguments. As we can see from the maps which the minister was good enough to make available to the committee, the prairie west is the one area which stands to lose most if there are changes in the statutory rate. We have discussed this before in the house. I was very concerned about the proposal to remove the bridge subsidy which pays in part for the long haul around Lake Superior. This argument has no direct connection with the point we are now discussing but it does show the vulnerability of the prairie west unless it is given full protection in the sphere of freight rates.

The following comment is from the *Country Guide* in which Dr. J. C. Gilson of the University of Manitoba is quoted as saying:

The railways must be permitted to operate on a sound economic basis. At the same time, however, nothing must be done which will unduly prejudice the competitive position of western Canadian farmers on the international markets of the future.

It is upon these lines that we are arguing today. We are taking account of the future prospects of the prairie west and we are seeking to bring about the best possible arrangements for railway operation. I know the minister is sympathetic to this argument. I give him that credit. However, there are others behind him who expressed opinions in the standing committee which did not appear to be very sympathetic toward maintenance of the Crowsnest pass rates. In this connection I read statements made by the hon. member for Vancouver Quadra, as recorded at page 2797 of volume No. 39 of the proceedings before the standing committee on transport and communications. The following appears on that

[Mr. Pascoe.]

page, after presentation of a brief by Mr. Lloyd, leader of the opposition in Saskatchewan:

• (6:20 p.m.)

Mr. Deachman: Mr. Chairman, I wanted to refer to some remarks Mr. Lloyd made earlier about the grain movement being captive and the shipping of potash being captive. In the sense that grain moves under a statutory rate, certainly the grain trade is not captive to a rate set by the railway, is it?

Mr. Lloyd: As long as those rates remain.

Mr. Deachman: Yes. It is a statutory rate and it is an advantageous statutory rate set long ago by the federal government.

Mr. Lloyd: Whether it is advantageous or not I would say has not really been fully satisfied.

Mr. Deachman: Well, it is a statutory rate set by the federal government and one which we have not found people advocating the removal of before this committee.

I certainly agree with that.

One might say that rather than the grain shipper himself being captive, the railway in this instance is the captive, is he not, Mr. Lloyd, because the rate is set for him by the public, or indeed by the very shipper himself?

Mr. Lloyd: No. As I said earlier when I interrupted you, Mr. Deachman, I am not sure that that case has been proven and, as I say, in the bill I share the sentiments of many people—and we heard something of it from Mr. Frawley this morning—that these rates are not necessarily as disadvantageous to the railways as is frequently presumed.

I have read that part of the record because it is my personal opinion that at committee hearings some hon. members were not very sympathetic toward maintaining the Crowsnest pass rates.

At page 2785 of the same committee proceedings the Minister of Transport is recorded as saying:

Regarding the Crowsnest votes—

I guess that means rates.

Mr. Pickersgill: I never had time to revise it.

Mr. Pascoe:

—in such a study—

The reference is to re-examination of the rates within the next three years.

—there should be the fullest opportunity for interested parties to present their views. And indeed, not merely to present their views, but also to contest the facts submitted in such a review.

I find no fault with that although I am going to argue later that we do not need a review, as has also been argued by the hon. member for Jasper-Edson.