The standard claims for freight rate discrimination have changed but little since 1951. The case remains almost static. Transportation *development* has not been static in Canada in the past ten years, even if the claims about transportation conditions of ten years ago bear such a marked similarity to the claims recited, for example, by the eight provincial governments to the governor in council at the hearing of the freight rate appeal on November 24, 1958. Transportation development has, on the contrary, been a surging, dynamic force in the past ten years. In the crucible of competition, that dynamic force of transportation development has not been wasted. For one thing, it has re-molded the freight rate situation of this country in such a way that much, if not all, of the alleged discrimination has evaporated—even if the claims have not. Fortunately, the testing time for those claims is again at hand in the coming hearings of the new royal commission transport inquiry.

As we have shown in chart No. 1, the D.B.S. transport statistics show that at the beginning of the post-war era the index of the railways' average revenue per ton mile was very close to the index of the maximum permissible level of railway rates. A large portion of the authorized freight rate increases of the railways was being applied. But not for long. The breakaway began towards the end of the 1940's. The gap between the two lines began to widen substantially, reflecting the increasing impact of truck competition; the granting of more railway competitive rate reductions and more agreed charges to railway shippers; and a corresponding decline in "normal" railway traffic (the traffic moving at class and commodity rates) which, under the impact of competition, was shifting into the lower-than-normal tariffs—the competitive rates and agreed charges.

But, if a case for discrimination still exists today, the wide gap between the two lines—the rate increases the railways were authorized to apply and the amount of increase which they were actually able to apply—could mean only one thing: that the benefits of truck competition in the past decade have still been concentrated almost exclusively in Central Canada; that it is still correct today, as the royal commission said in 1951, that the freight rate burden is being borne especially by the west and the maritimes. This, of course, is the rate discrimination argument.

Then we mention the value that the waybill analyses will have to the coming royal commission and the fact that there was only one annual waybill report—and that for the year 1949—which was available to the Royal Commission on Transportation.

I shall not describe the waybill analyses because it has already been done by Commissioner Knowles who is infinitely more qualified to do it than I am.

The facts are to be found in the waybill analyses of the Board of Transport Commissioners. The coming royal commission transport inquiry will have a very great advantage over the Royal Commission on Transportation which held Canada-wide hearings in 1949 and 1950, reporting in 1951. The Board of Transport Commissioners, since 1949, has been issuing each year these revealing analyses of railroad waybills. The analyses cover the years 1949 to 1957, inclusive, except that no waybill analysis was issued for 1950. Thus, the Turgeon Royal Commission had the waybill analysis for only one year—1949—in its consideration of facts upon which to predicate its recommendations to the governor in council. Even waybill information for one year was considered of such value by the commission that, where appropriate, it was quoted in the report of 1951.

The transport board's annual waybill analysis is a portrayal of actual traffic movements. It shows the proportion of railway traffic which moves from one "rate territory" or "region", under what kind of rate and the amount of the rate—in addition to other valuable information.