October 3, 1967

Rate Structure on Freight on Maritimes

fit through public spending-I think the nation agrees with this-to alleviate some of the major road transport difficulties in that part of Canada.

The minister could be of specific assistance were he to have an urgent study made of the need for off-loading feed grain from vessels in the port of Saint John. It is a paradox that this great winter port can load cargoes for world markets and yet has not the facilities for off-loading grain, which is so necessary to agricultural economies in the lower and western part of New Brunswick.

The new cliché in parliamentary language is "priorities". I am interested in the development of clichés in parliamentary language, and "priorities" is the present one. I join my colleagues in asking the new minister to make it a matter of urgent priority to investigate those transportation matters that are of serious concern to many of us who represent Atlantic Canada.

Mr. Robert Muir (Cape Breton North and Victoria): I wish to take a few minutes of the time of the house to talk about this question which is of vital concern to the economy of the Atlantic provinces. I wish to thank the hon. member for Cumberland (Mr. Coates) for bringing this matter before the house this evening. Only this morning I received communications from my constituents, including one from the president of the North Sydney board of trade, in which they complained bitterly about these drastic freight rates.

I am pleased to see the minister. I do not wish to be harsh with him. He will agree, I am sure, that we became fond of each other when he was minister of national defence. I hope he does not take anything I say personally.

Before I go into detail may I place on the record the views of the Sydney board of trade as they appear in the Cape Breton Post of September 28. I shall deal with that immediately, as time is important.

The minister is aware of the views of those who have spoken here. I wish him to hear the views of others, outside this house, on this important subject.

• (9:40 p.m.)

Before I begin to quote from this newspaper may I say that the spokesman for the Board of Trade, a person by the name of Harvey Webber, was a prominent citizen of Sydney, a decent fellow and a good type of citizen. All I can say is that I have never

The Atlantic Development Board has seen known him to be a member of the party to which I belong. The heading reads: "Freight Rate Hike Blasted by Trade Board" and the article savs:

The Sydney Board of Trade has strongly objected to the Minister of Transport and the Express Traffic Association concerning the rushed implementation of a new system of railway freight rates which the board says will have a serious effect on consumer prices in the Atlantic Region.

The board has been informed that under the new legislation railways do not require approval of rate increases.

In fact, Harvey Webber, president of the board, says the new rates were not made available to the Maritime Transportation Commission until August 21 and were implemented September 5.

Mr. Webber says the new system of freight rates introduced by the railways for less than carload freight service will have a serious effect on consumer prices in the eastern region.

These increases, he adds, along with many other radical changes, climaxed the railway's amalgamation of their express and less than carload freight services by the establishment of a single structure of rates, rules and terms of carriage for all noncarload traffic.

The board president said that "due to our geographical disposition, the Atlantic region is the largest railway user per capita in Canada, and, therefore, we are faced more with the increased costs.'

Increases brought about by the changes have had the effect of cancelling any advantage brought about by the Maritime Freight Rates Act.

Mr. Webber adds, "According to figures released by the Maritime Transportation Commission representing local shippers, rates have increased by as high as 282 per cent in some cases."

One example of the new rate structure, he says, would be to send 35 pounds of clothing from would have been \$2.72 freight or \$3.25 express. Under the new rate system it is \$4, an increase of 47 per cent and 23 per cent respectively. Shipping a canoe from Truro to Halifax will now cost nine times more than under the old rate system.

These new rules are due to the size and density formula based on 10 pounds per cubic foot of area, the charges will be based at 10 pounds. When dealing with items such as small chicks the effect is startling for cost increase.

The Maritime Provinces Board of Trade has submitted a strongly worded brief on the subject to provincial premiers.

But, Mr. Webber says, all businessmen and other shippers should concern themselves with this increase and its possible detrimental effect on our economy. "Consumers can expect to pay more for items shipped into this area by rail," the president adds.

I hope the minister has listened carefully to these comments by the Sydney Board of Trade as they appear in the Cape Breton Post. He smiles. Of course, to him Sydney is just a spot on the highway somewhere and I assume he is not too interested. At election time, though, he can become vitally interested.