

The Turgeon Royal Commission on Transportation, in its report of February, 1951, stated at page 265:

Truck competition did not become noticeable in Canada until less than twenty-five years ago. In the chapter of this report dealing with Crowsnest pass rates it is pointed out that in the course of the great parliamentary debate on freight rates, which took place in 1925, nothing at all was said about the truck. Water transportation alone was discussed as a factor holding down railway rates in central Canada, to the advantage of shippers in that region. From then on the situation has been changing very rapidly, to the extent that today water competition is seldom mentioned; truck competition has overshadowed it almost completely. The years since the end of the war have seen this traffic increase more rapidly than ever with the improvement in motor vehicles and the extension of hard-surfaced highways which have taken place. The trucks generally provide favourable rates and a convenient service.

How great have been the changes in the freight rate situation of the past decade—changes caused mainly by truck transport—is seen by comparing the commission's assessment of 1951 conditions and the actual conditions that exist today. For the same royal commission, also at page 265 of its 1951 report, said this about the results of truck competition:

Conditions seem to indicate that these losses to the railways by reason of truck traffic can be expected to increase as time goes on.

The effect of these losses in railway revenue is to throw a heavier rate burden upon the traffic which is non-competitive, that is long-haul and low-valued traffic. This burden is borne especially by those sections of the country, such as the prairie provinces, where truck competition is very much weaker than in central Canada.

We hear today that same assessment of 1951: that the benefits of truck competition are concentrated in central Canada—that because of this concentration of competitive benefits in the central provinces, the west and maritime provinces have to carry the burden of railway freight rate increases. And how wrong that is today!

We hear today about "discrimination" in freight rates caused by railroad monopoly on the long hauls—a monopoly more myth than substance, for today (and ever since the nation-wide rail strike of 1950) transcontinental truck lines span Canada. Hardly a week goes by that you cannot pick up a copy of the Financial Post and see one or more of the transcontinental highway freight lines, linked by their own teletype communication across this country, advertising their services to shippers.

The repetition today of tired, tattered and untenable conclusions designed to bolster the case for freight rate discrimination—central Canada sitting pretty while the west and the maritimes pay the shot—fails utterly to bridge the gap between the conditions reported by the royal commission in 1951 and the conditions which now exist.

Indeed, Mr. Chairman, the next Turgeon Royal Commission only four years later—and I refer to the Royal Commission on Agreed Charges whose report is not studied so often, states in its report of 1958, at page 45:

Conditions as they exist today cannot be ignored nor the changes that are still taking place. Chief among these are (1): The growth of highway competition between eastern Canada and the western provinces. This caused the railways to publish competitive rates on certain commodities where only a short time ago none at all were in effect on these movements, for example, canned goods.