

EVIDENCE

WEDNESDAY, April 15, 1959.

9:00 a.m.

The VICE-CHAIRMAN (*Mr. Howe*): Gentlemen, we are still on clause 1 of the bill. It is good to see that we have a quorum this morning, so we can get away to a good start. When we finished last night we were still dealing with the brief presented by Mr. Magee, the executive secretary of Canadian Trucking Associations Inc. With him were Mr. Goodman, General manager of the Automotive Transport Association of Ontario and Mr. Montague, Secretary and Legal Counsel of the Applied Economic Research Associates.

If those gentlemen will come up to the front, we will continue with the questions. The Minister has to leave for a very important engagement at ten o'clock.

Mr. CHEVRIER: Will he be back for eleven o'clock?

Hon. GEORGE HEES (*Minister of Transport*): I think I will just make it.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Chairman, there are two or three questions I would like to ask Mr. Magee arising out of questions that were asked last night. I would like to get some clarification of some of the answers that were given.

Mr. Chevrier I believe asked that, inasmuch as you were opposed to this rail subsidy, did you have any suggestion as to what should be offered instead of a subsidy, or what would happen if the subsidy was not given. I was not too clear with regard to your reply on that.

Mr. CHEVRIER: In other words, you would like to bring it up again—and I have no objection.

Mr. MAGEE (*Executive Secretary, Canadian Trucking Associations*): Probably it is just as well, Mr. Chairman, because perhaps my reply was not too clear. Our position throughout the submission is that the transportation situation in Canada should be allowed to remain competitive and that the 17 per cent increase should not have been dealt with by a subsidized rate roll-back applied to railway rates.

The railways, before the board, said they were confident that with that rate increase they could obtain the necessary revenues to conduct their operations. If their confidence was misplaced, then we say that they would have to come back to the board and raise their problems again.

That leads to the assumption that we have ever-increasing rate rises. We have answered that point already, I think, in our submission by saying and showing that the rate increases in the past decade in Canada have not been of the tremendous nature many figures used would indicate, and that they have not been tremendous because of the existence of competition.

We say, let the transportation situation of Canada remain competitive and do not start to apply a policy of subsidy to the reduction of rates of one of the competitors.

Mr. BROWNE (*Vancouver-Kingsway*): I think that clears that matter up, Mr. Magee, thank you. Another point that was raised was in questions in connection with the Crowsnest Pass rates, and I was not too sure of the feelings of the association towards those rates.

Mr. MAGEE: The Canadian Trucking Associations first mentioned the Crowsnest Pass rates in the submission presented to the minister in Janu-