

*Railway Act—Grain Rates*

that it was, I can tell him that the railways, when they were on the mat and examined and the chief engineers also in sworn evidence before the railway board, said that they had no men in either the Canadian National or the Canadian Pacific who could tell just how much it cost to haul a ton of freight or a carload of wheat.

Last year the minister said that the government should not set rates. If there were no precedents for rate setting, that might be all right, but many precedents have been established for the setting of rates. For instance, a more favourable rate has been set to Churchill—and some say that was to help build up business—but in 1887 a rate was set and later confirmed by this parliament. If it was good business for parliament in its wisdom or otherwise to set a rate to eastern points, surely it could set a rate to British Columbia as well. I need hardly go into the question of the encouragement which would be given to trade by a reduction in freight rates. We all know what the railways require now is more trade and more traffic, but trade has been going down in British Columbia; poultry farmers and dairy farmers there have been going out of business by the dozen owing to the fact that they could not pay the prices of grain in its relation to the cost of egg production. If the grain and grain products were transported west cheaper than at present, encouragement would be given to both the dairy and poultry industries, and this would also help the railways. Poultry and dairy farmers have at present enough to put up with without being penalized as they now are. Speaking of British Columbia in comparison with Ontario they are able in that province to procure feed for cattle and poultry at about half or a little more than half the cost of that in British Columbia. If we are to be on an export basis and so have a chance to compete, production costs must and should be reduced substantially. If this were effected, encouragement would be given to the trade and industries of British Columbia, not only poultry, dairying and stock, but others as well. Why should we not have flour mills on the Pacific coast? Why should we not manufacture macaroni and other flour products on the western seaboard instead of having them produced in central Canada or at eastern points. We have wonderful ports on the Pacific coast and the Orient is a market just opening up.

Another point I wish to bring to the attention of the house is this. We have heard members from the maritimes speak about injustices done there and members from Quebec and other provinces talk about injustices done

[Mr. Reid.]

to them in respect of freight rates, but I want them to take note of this, because I am anxious for their support: If freight rates in Canada were equalized mile for mile, grade for grade, all being put on the same basis, the rates to points in those provinces would be considerably increased and just about double the rate to Vancouver, with its distance of 642 miles and the best grade in the whole of Canada. When I say the best grade, that is not just a mere statement or expression of my own personal view; it has been so stated since the railway transportation bill came before the Senate. Are we in British Columbia to be forever under the domination of the Canadian Pacific, because it is the one company which is preventing us in that province from receiving equal and just treatment as compared with the eastern provinces? If the matter were left to the Canadian National with its low grade, we would have had it satisfactorily settled long ago. That is why I fear the amalgamation, with the domination of the Canadian Pacific. Heaven help us in British Columbia if we do not get a reduction before the proposed amalgamation takes place!

Mr. MANION: What proposed amalgamation?

Mr. REID: The amalgamation proposed by some hon. senators.

I am not going to go into the extensive history of the Crowsnest pass rate. That has been discussed many times since I first came here as a new member. I shall not weary the house with all the details which have been presented many times. British Columbia, I claim, has justice on its side; it has suffered long. The railways simply set this rate; they say: We will put on as much as the public will stand. But we have stood for this too long in British Columbia and the people are not going to stand for it much longer because they are leaving the farms gradually. This is the time that encouragement and help should be given not only to stay on the land but also to enable them to compete at least on equal terms with the rest of the provinces.

That is all we are asking. We are not asking for any undue preference or for something which the other provinces have not got. We are not asking for a five cents a bushel bonus on wheat or for the grant of \$890,000 to the railway companies of this country, as was done in 1931, to enable them to transport, at a cost of \$6.98 a ton, coal that actually cost \$13 or \$14 to transport. Why should all these things be given to other sections of the country and denied to British Columbia