

Freight Rates Reduction Act

statement which is dated November 26, 1958. The acting prime minister, the hon. member for Vancouver Quadra, said:

We consider that in future the railways and their employees must come to a definite agreement before a wage increase should be accepted by the board of transport commissioners as the basis for an increase in freight rates.

Then a little further on the minister said:

The suggestion was made that these wage increases should be paid from the federal treasury.

I ask the committee to listen carefully to these words:

We do not intend to embark upon a policy of subsidizing wage increases. There would be no end of demands on all governments if such a policy were adopted.

Well, that is exactly what is being done in this resolution which is now before the house. Notwithstanding the statement of the acting prime minister the government is entering upon a policy of subsidizing wage increases both indirectly and directly, as I intend to show with reference to an item we passed in the estimates a few days ago. Then the minister continued, according to this release:

It is, however, recognized by the government that there are serious inequities in the present freight rates structure which have both contributed to, and been aggravated by, the system of horizontal rate increases. The government has already indicated its intention to move toward a solution of these problems.

Well, here we are, four years after this statement was made and so far the government has done absolutely nothing to move in the direction of removing the inequities caused in the freight rates structure. Although the report of the royal commission on transportation has been in the hands of the government, the first volume for a year and nine months and the second volume for over a year, no action has yet been taken by the government to remove these inequities about which we heard so much and for which the royal commission was established at the time.

Then the minister completed his statement with this sentence:

The intention of the government is to provide both an immediate alleviation of discrimination where it exists, and a long term solution to the broader problem.

Thus far no alleviation whatsoever in that respect is in sight.

Then I compare that statement with the statement made on this whole question of freight rates by the Leader of the Opposition on November 27, 1958. I simply put on the record three points which he made at the time. He said:

Three points should be emphasized at once. First, the wage increases for railway employees recommended by the conciliation board are reasonable. Second, we agree with the provinces' views that

[Mr. Chevrier.]

the board of transport commissioners ought not to be put in a position of ruling on wage problems which are not within the scope of its responsibility. Third, there are obvious objections to a permanent policy of federal subsidies specifically designed to finance wage increases.

Later on the Leader of the Opposition put on the record his view with reference to the matter.

I should now like, not to put it on the record because I have not the time, but to recall to the house the statements made by the Prime Minister during the campaigns of 1957 and 1958, wherein it was clearly stated by the Prime Minister that the government would move fast in order to do away with the injustices caused by freight rate discrimination. Just let me give the committee some idea of what the Prime Minister had in mind. At Saskatoon on February 13, 1958 the Prime Minister posed this question:

"Did we act?" The government had "held up" a 3.8 per cent railway freight rate increase allowed by the board of transport commissioners earlier this year. "We said it could not at this time be justifiably brought into existence."

Then at Windsor the next day, February 14, 1958, the Prime Minister said:

We said before we were in power that freight rates were unjustifiably high when raised horizontally. Did we act? When the board allowed an increase we held it up because it could not be justifiably brought into existence on the basis that the increase was provided.

Then again at Kelowna, B.C., on March 10, 1958, the Prime Minister said:

The government has "more than asked" the board of transport commissioners to bring forward "at the earliest possible date" recommendations on equalization of freight rates to alleviate discrimination against British Columbia and the maritime provinces.

Mr. Balcer: May I ask the hon. member from what publication he is quoting?

Mr. Chevrier: I am quoting a report of the Canadian Press of a speech made by the Prime Minister at Kelowna, B.C., on March 10, 1958. That ought to satisfy the hon. member. Perhaps he prefers the colour of this one to the statements in 1958, but this is a Canadian Press report. The only reason I put it on *Hansard* is that the Prime Minister said in 1958 that something would be done immediately about this matter, and here four years later we are still at the same point as we were then.

Mr. Pickersgill: It is nearly five years.

Mr. Chevrier: My hon. friend corrects me very amicably by saying that it is nearly five years, and he is right in that respect. But I was going on to say that the Prime Minister was complaining that the board of transport