Mr. Pickersgill: Certainly the hon. member for Burnaby-Coquitlam made that very clear, and I could quote his words. He made an argument which impressed me.

Mr. Horner (Acadia): But not the rest of us.

Mr. Pickersgill: I did not interrupt the hon. gentleman, and we are talking about a very serious matter. As I understood it, the argument was that by this declaration by parliament that there must be a mandatory review of these rates we were creating the presumption that the rates were not compensatory. Hon. gentlemen opposite said this was not the type of neutral attitude which should be taken.

Most hon. members opposite argued eloquently that the rates were compensatory and there was no need for such a review. I decided, therefore, that I would not ask that these rates be reviewed, and I would not seek unanimous consent or anything else that required the commission to make a review unless there was an application for such a review. This is the first point.

The second point is that I realized there were other rates than the rates on grain which were also statutory.

Mr. Horner (Acadia): List them.

Mr. Pickersgill: Well, the port parity rates about which we had a considerable discussion yesterday would come into that category; the frozen rates for the Atlantic region would also come into that category. One of the reasons I could not give a more detailed answer yesterday to the hon. member for Saint John-Albert was that there are, I am informed, some 2,700 railway acts of one kind or another that have been passed since confederation. I am sure that perhaps 95 per cent of them do not set any statutory rates, but in order to be certain they all have to be examined.

I decided also that the principle which underlies the whole bill, that if a duty is imposed upon the railways by parliament the railways should be compensated for carrying out that duty if the revenues they receive do not compensate for that purpose, should be followed. This principle runs through the whole bill in reference to branch lines, passenger service and everything else. It seemed to me that to be consistent we should cover all these contingencies in the present bill. In addition, there is a provision that power should be given to the commission to set aside rates and to substitute its own rates. It seemed to me that any such rates which are set, to some degree arbitrarily by the commission, should be capable of being reviewed upon application.

Mr. Woolliams: That is only an argument. Deal with the question.

Mr. Pickersgill: My point is that the amendment which is before us now is different in principle and in nature from the clause that was taken out. Hon. gentlemen argued that it was not. I have already made three points on which it differs. In the first place, proposed section 329 required the commission to conduct a review whether or not anyone asked for it. This was a duty put upon the commission by parliament. This amendment does not require any review to be made of any of these rates unless an application is made by a railway company. This is a fundamental difference.

The second point is that proposed section 329 applied only to the Crowsnest rates and related grain rates, while this amendment applies to the whole gamut of statutory rates. It does not apply merely to statutory rates. It applies also, at such time as two years may have elapsed after any decision is made by the commission, to any substituted rate. In other words, this provision is part of the permanent scheme of the legislation. Proposed section 329 would have caused an investigation once and then it would have been over. This is a permanent part of the structure of the commission.

In the same way as clause 16 gives the shipper and other interested parties the right to appeal against any carrier on the grounds that the rates are not in the public interest because they give an undue advantage or for any number of reasons, the railways, having imposed on them a duty by parliament, are to be given the opportunity, but not earlier than two years after the bill comes into effect in respect of statutory rates or two years after a substituted rate may come into effect, to ask for an investigation into the revenues and costs so that these revenues and costs can be determined. Now, it seems to me that is a fundamental difference.

• (3:50 p.m.)

There is one part of the clause that is similar to the proposed amendment, that is to say, that part of the clause which enumerates various categories and kinds of grain and grain products that are not covered strictly