

tion irrespective of its effect on the shipping public. It is a matter of great apprehension to our members that the railways will be permitted, under the law, to practice unjust discrimination, without any recourse of appeal. The proposed Section 317 does not, in our opinion, provide a satisfactory safeguard for an industry or shipper who may suffer under unjust treatment by the railways. We therefore strongly recommend that a right of appeal be afforded to shippers where grievances can be heard and arbitrated. We respectfully suggest that the Board of Transport Commissioners for Canada be designated as the tribunal to hear and arbitrate such grievances. We have the highest regard for the ability and integrity of the Board relative to Railway matters.

Clause 15, (Sec. 326)

In view of the repeal of Sec. 332 by Clause 17, we recommend that subsection (2) of Sec. 326 be amended to read:—

The tolls may be either for the whole or any portion of the railway but freight tariffs publishing class rates as defined in Sec. 331 (2) of this Act shall specify the rates for all distances covered by the company's railway.

Clause 18, (Sec. 333)

We agree generally with this amendment except that in our opinion the 30 days notice on increases should be retained. In most industries in Canada price lists are effective for 30 days and sometimes longer and we think 30 days notice is reasonable.

Clause 19, (Sec. 335)

This section covers the matter of rates on so called "captive" traffic. We respectfully submit that the statutory rates as covered by subsections (2), (3) (c), and (5) (b) should not be enacted. Our reasons are as follows:

1. The bases used in subsection (2) and (3) (c), also the formulae in (5) (b) are too rigid and do not take into consideration a number of very important factors which have a bearing on freight rates such as the type of commodity, loading characteristics etc.
2. These bases and formulae can not be changed except by Act of Parliament and we do not think it should be necessary to go to Parliament in order to make changes in freight rates.
3. We think the fixing of freight rates requires the application of judgment where all relevant factors are investigated and considered.

We therefore recommend that Section 335 be amended as follows:

1. Subsection (2) be ended in the third line of page 23 with the words "deems necessary fix a rate".
2. Subsection (3)—Delete paragraph (c).
3. Subsection (5)—Delete paragraph (b).

By deleting the above subsections this would then leave the matter of rates on such "captive traffic" in the hands of the Board of Transport Commissioners for Canada which in our opinion is best qualified to consider all relevant factors and prescribe satisfactory rates.

National Transportation Policy for Canada

Clause 1

We observe from the proposed amendments to the Railway Act that it is proposed to remove entirely all the restrictions against undue preference and