

*CNR and Air Canada*

ment of potatoes over the past five years and see where increasing freight rates are leading the potato industry.

I shall read this into the record briefly. It stands as some kind of monument to the impact of the present transportation policy on the agricultural industry of eastern Canada. To February 25, 1968, there were 9,760 carloads of potatoes moved by rail from Prince Edward Island. To February 25, 1969, there were 10,912 carloads moved by rail. To February 25, 1970, 12,306 carloads of potatoes were moved. I stop at this point to indicate that until this time we had been operating under a freight rate assistance act that had not been altered substantially since before World War II. In those three years, 1968 through 1970, there was a considerable increase in the amount of potatoes moved by rail.

What happened in the first full calendar year after the new freight structure was introduced? To February 25, 1971, there was a sudden drop from 12,306 cars to 8,654—a fantastic drop of approximately 33 per cent. To February 25, 1972, the number of carloads of potatoes moved by rail declined by more than a thousand to 7,643. This is as a direct result of freight increases, eight of which we have suffered in the past 29 months. The last rail rate increase was on February 24 of this year. That increase, announced by the Railway Association of Canada on behalf of the Canadian railways, ranges from 4 per cent to 8 per cent.

The latest increase is another in what has become a pattern of increase every six months since the lifting of the rail freight rate freeze on September 23, 1969. This succession of rail rate increases now stands at a cumulative total of 35 to 68 per cent, depending upon the rate level, for non-competitive rail rates and 19 to 40 per cent on competitive rail rates. While it may be argued that railway rates were frozen for almost ten years prior to September 23, 1969, the accumulative increase enacted during the years immediately following the lifting of the wartime prices and income freeze, in fact for the lower rated traffic the increase since September 23, 1969, exceeds the increase in any similar period since World War II.

I wonder if the hon. member for Vancouver Quadra is still listening and is still prepared to tell me how wonderful things are with regard to the operation of the railroad and the discriminatory action taken by this government with respect to rail rates as they affect the Atlantic region. It is ludicrous for anyone in this chamber or anywhere else to suggest that we have somehow benefited from any kind of enlightened transportation policy. In fact, we know the situation is quite the reverse; we are faced with an extremely serious situation.

So that no one will be inclined to suggest that this decline in the use of the railroad is the result of shifting to other carriers such as truck transport, may I put on record the figures for the same five-year period. To February 25, 1968, 822 truckloads of potatoes were moved from Prince Edward Island. To February 25, 1969, 870 truckloads were moved. To February 25, 1970, 879 truckloads were moved. To February 25, 1971—presumably because some advantages were granted to the trucking industry—there was an increase to 1,173 truckloads. To February 25, 1972, when action was being taken to

increase rates for the trucking industry, there was a substantial decline to 922 truckloads.

The situation in which we find ourselves at the present time with regard to moving perishable commodities and basic products such as potatoes is that increasing discriminatory action is being taken by the transport industry, I assume under the direction of the Canadian Transport Commission. This will undoubtedly have a continuing depressing affect on the agricultural industry of Atlantic Canada. In this respect I wish to refer to Fraser's Potato Newsletter which is published in Prince Edward Island, which indicates that this trend will probably continue and that we will be seeing more people moving closer to the population centres of Canada or to the ports where they can move their spuds to market short distances by truck and water instead of in the old-fashioned way. The old-fashioned way seems to be the fundamental way for the basic industry of Prince Edward Island. Unless and until the government requires its own agency, the CNR, to live up to its commitments, the agricultural industry in Prince Edward Island will face increasing difficulties. I find it rather difficult to believe that the government would introduce these measures without requiring their agency, the CNR, to reconsider its over-all policy respecting the movement of such basic commodities.

• (2050)

I do not want to spend all of the time available to me discussing the aspect of freight rates alone. Recently, both railroads applied to discontinue passenger train service to the Atlantic region, which applications were denied. I was happily surprised that the Canadian Transport Commission not only refused the applications of the railroads but took the rather unusual step, which I hope will be very largely responded to by the general public, of inviting suggestions from the public in regard to improving passenger train service between Montreal and the Maritimes.

If ever I felt there was need for public response and contribution it is in the area of giving some imagination to the current unimaginative and dreary attitude exhibited by the nation's railroads in connection with passenger service. I have occasion from time to time to travel on the railroad, both long distances from here to Prince Edward Island and shorter commuting distances such as to Montreal and Toronto, and every time I realize how actively the railroad discourages public use of the railroad for passenger traffic. It cannot be said more simply and directly than that. It is abundantly clear, particularly under the new transportation arrangements, that the railroads do everything they legally can to ensure that passenger travel will be at least an unpleasant experience. It is difficult to describe, unless one has a tremendous flair for language and colour, the paucity of imagination regarding the facilities provided for passenger traffic on our railroads. Just recently the railroads took a further backward step in deciding to increase passenger costs by separating accommodation and meals which had been hitherto provided on the same ticket. What does one find when one travels aboard Canada's railroads today?

**Mr. Peters:** Members of parliament.