

Transportation

between \$2 and \$3 a ton on grain is compensatory and meets variable costs, then the rate for moving potash represents variable costs plus about 200 per cent. Potash could be hauled as cheaply as grain. This puts our new industrial expansion and development in jeopardy in relation to other nations of the world.

There is a valid case to be made for some control by parliament in areas where there is no effective economic competition. It is our suggestion that there is no competition in the transportation field relating to the hauling of such things as potash, grain, nickel concentrates from Thompson, Manitoba to Fort Saskatchewan in Alberta and lumber from British Columbia to interior markets. There is no effective competition or even an effective alternative to railway transportation in the area. I do not intend to go into this any further at this moment, but I should like to discuss certain other clauses of this bill. The minister is already aware of some objections I have raised.

Let me suggest one simple amendment to the minister, in view of the fact he is considering a number of others. At page 57 of this bill there appears clause 68 which deals with section 381 of the Railway Act. The only difficulty is that this clause applies only to telephone and telegraph lines. A similar clause should be included to deal with railways and their tolls and tariffs in respect of the movement of non-competitive commodities. If that were done, I suggest we would have a bill which would give the measure of political and statutory control needed in relation to monopolistic businesses.

Clause 68 suggests that there shall be no unjust discrimination but that tolls must be just and reasonable. It states that the commission will have the power to determine what is just and reasonable and what is or is not discriminatory. In clause 68, new section 381(3)(b) it is stated that the new commission shall have the power to suspend, postpone or disallow tolls. That is good in respect of telephone and telegraph lines, but I think it should be written into this bill to apply to railway traffic as well.

The minister may argue that he is going to free the railways to the point that they will no longer be a public utility, yet telephone and telegraph lines will remain as public utilities. I suggest to you, Mr. Chairman, and the minister, that in many areas, particularly in western Canada, for all practical purposes railways are still monopolistic public utilities

which require political and statutory control so far as rates are concerned.

● (6:10 p.m.)

I shall conclude by recommending that the minister give consideration to this question, particularly in view of the fact that Canadian Pacific Railway is now a gigantic, complex empire that has within its power and under its control by way of investment many companies and enterprises not directly related to the railway business. In the negotiation and setting of rates, it is possible for the C.P.R. to make concessions to their wholly or partially-owned companies, which is an unjust and unfair discrimination against other companies.

Whether or not this bill passes before the end of the year, I wish the minister well in making representations to Canadian Pacific Railway to see that at least finally some justice is done to those cities and communities in western Canada which have been under the burden of the statute of 1881 respecting the forgiveness or non-application of municipal taxes. I should also like him to take into account the fact that there are still some areas of uncertainty in so far as maximum rate control is concerned.

I know the provisions of the bill will be brought into effect gradually because the subsidies now being paid by the federal treasury will be withdrawn gradually. Even if the minister is not disposed to making all the amendments I have suggested, I hope he will consider them very carefully and will watch very closely what the railways do under the provisions of the bill. I hope the minister will be prepared to come back to the house with amendments that will give effect to what we think is just and reasonable as we try to develop a transportation policy that is in keeping with Canada's modern requirements.

Mr. Barnett: Mr. Chairman, I wonder whether the minister and the rest of us would not better digest the eloquent remarks just made by the hon. member for Medicine Hat if we were to adjourn for an hour or so for dinner?

Mr. Pickersgill: Mr. Chairman, I think there was a disposition, with a view to having an adjournment for Christmas as early as possible, to make use of such time as we had today. I hope I will not be pressed on the point.

The Chairman: Perhaps hon. members would permit me to interrupt the debate to announce the proceedings on the adjournment motion.