

in 1957 the board did apply a hold-down on lignite, somewhat in the same way as the I.C.C. in the United States. In its post-war cases the I.C.C. has always given a lesser increase to lignite than to higher types of coal.

I do not say for one minute what the only lignite coal produced in Canada is in Saskatchewan. There is low value coal in Alberta which is entitled to the same type of consideration. We have never set ourselves in opposition to that.

In reply to Mr. Bell's question, these coal rates are all separately published, and so far as lignite coal is concerned we could be easily given the reduced rate. It would involve no rate complication elsewhere in Canada. It would be our respectful submission, and without any hostility to the maritime coal industry, that perhaps it might be felt that the maritime industry had received such generous help by way of other types of subvention that this particular type of relief could be given to Saskatchewan without involving the maritimes in any rate complexities.

Mr. CHEVRIER: Have you got to charge the rate which is authorized under the judgment, or can you charge lower rates?

Mr. BLAIR: You mean the railways?

Mr. CHEVRIER: Yes. I should have said, when you ship lignite coal, do they charge the rates under the judgment of the board, or can it be shipped under lower rates?

Mr. BLAIR: The railways can fix any rate up to 22 cents per ton.

Mr. CHEVRIER: Is there any place other than here where you can get relief?

Mr. BLAIR: There are two places.

Mr. CHEVRIER: I am excluding the subvention area.

Mr. BLAIR: There are two places. First, of course, is by direct negotiation with the railways to make new agreed charges. The second would be, in a very grievous type of case, to go to the Board of Transport Commissioners with the complaint. But we have tried that and it has not been successful, for a variety of reasons, many of them quite difficult to summarize.

Mr. KNOWLES: Since I have been asked a lot of questions, Mr. Chairman, and I am not a witness here, there is one thing I want to say.

The CHAIRMAN: You certainly are a witness, Mr. Knowles.

Mr. KNOWLES: There is one thing I want to say right on this record, and I think Mr. Blair will agree with me on this. On page 3 he says, "Lignite coal is a low value commodity to a comparatively short haul but has received no relief from any of the successive flat cents per ton increases imposed on all coal in post-war years."

I think Mr. Blair has overlooked the fact that the railways gave him a reduction of 40 cents a ton to some of his principal competitive points in Manitoba and Saskatchewan. I should like to make it clear on the record that it has not been a case of "all imposed and none taken off."

The CHAIRMAN: Thank you, Mr. Knowles. I am sure we all appreciate the presentation Mr. Blair has made on behalf of the coal companies of Saskatchewan, and we thank him for it.

We also thank Mr. Southam for coming forward and giving us the benefit of his local experience with regard to these coal matters.

Mr. BLAIR: Thank you.

The CHAIRMAN: The next witness we have is Mr. Jack Guest, an economist representing the government of the province of British Columbia. Mr. Guest has a brief, I understand. Gentlemen, I present to you Mr. Jack Guest, an economist representing the government of the province of British Columbia.