

Freight Rates

I may say in passing that during the war there was a considerable movement in the ordinary stock of the company away from the United Kingdom to the United States, with the result that at the end of the war the amount of the ordinary stock of the company held in Canada and in the United Kingdom had been considerably reduced and the amount held in the United States had been considerably increased. The result of this distribution of the stock as between Canada and other countries means that the \$21,307,682 paid out in dividends from 1947 earnings went this way: \$2,297,895 was paid within Canada, and against that figure has to be set the fact that \$19,009,787 was paid to shareholders outside Canada.

We are not convinced, in the face of that, that the Canadian Pacific Railway Company really need the increased revenues which they seek in order to pay the just wage demands of their employees. If increased revenues are needed by the Canadian Pacific and the Canadian National to meet these wage demands, which I insist every member of this house should support, those revenues should be found in other ways, by making a charge on the consolidated revenue fund and by carrying out some of the suggestions that have been made by speakers on all sides of the house aiming at, not increasing the difficulties and inequalities in the freight rate structure, but removing them with the hope of achieving national unity and a much more balanced economy for all our people.

Mr. J. L. GIBSON (Comox-Alberni): Mr. Speaker, the very vigour of this debate must have forcefully brought to the attention of the government the necessity for making a vigorous effort to try to heal this ancient wound which has caused so much unhappiness all across Canada. I am particularly pleased that the members of this house who come from the two great central provinces have spoken and acted in a generous manner. I think that should indicate to the government that, should legislation be brought into the house which would have the tendency of equalizing the present discriminations, it would have the support of hon. members from the two large central provinces.

I feel, too, that there is some justification for the feeling among hon. members from the maritimes and the western provinces that this 21 per cent increase all across the board, increasing as it does the discriminations already in existence, could possibly have been handled in a more equitable manner. However I have the feeling that the present situa-

[Mr. Knowles.]

tion will not last for very long, although I expect it will last after the vote tonight.

As to the necessity for and the justification of these freight rate increases, it would appear to me that in all fairness we should consider the prices of the two great products that we ship from British Columbia, lumber and fish. In 1939 the price of lumber was \$20 a thousand and it is now \$60. In 1939 salmon was worth \$4 a case and it is now worth \$12. It would seem to me therefore only reasonable and fair that the freight charges on these products should bear some relationship to the vastly increased values of these products, and I do not think the people of British Columbia in these particular industries would wish to have the workers in the railroad industry sharing the burden of low wages and being taken advantage of in this respect.

I was grateful that during the war the Panama canal route was still kept in effect by the board of transport commissioners, although actually there were no ships available to carry freight via water from the Atlantic coast to the Pacific coast. We have always enjoyed these advantages in British Columbia of having a competitive rate through the Panama canal.

In British Columbia we have been brought up since childhood to feel that we have been unjustly dealt with. I well remember hearing as a child of the exploits of the late Senator McGeer in presenting the case of our province to the board of transport commissioners. I have a feeling that probably we shall get somewhere on this equalization question; but, as regards the suggestion that the imposition of the increases be deferred for thirty days in order to allow the provincial premiers to come here and make representations, I submit that, while on the surface that seems plausible, it does not appear to me to be possible that results will be obtained. The provincial premiers are not experts on freight rates, nor are they familiar with all the ramifications of the freight rate structure, and I do not think that coming here and spending two or three days presenting the case to the cabinet would justify the cabinet in setting aside the judicial decision of an expert board who have been considering the question for eighteen months.

The cabinet are able men; but, after all, freight rates are a most complicated question, and it would be too much to expect that the cabinet should set aside a decision of this kind made by so responsible a body. I am actually surprised to hear hon. gentlemen in this house talking, as we have heard recently, about human rights and fundamental freedoms, and nevertheless suggesting that the