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movement from Eastern Canada to points in Western Canada. Rates on many of these articles are very high, but the agreement ^{remains} was suspended insofar as they are concerned.

Not only were the Crow's Nest Pass rates effective, but for some three years when a lower rate basis was adopted after the western rates judgment of 1914 the rates on articles covered by the Crow's Nest Pass Agreement were fixed at a point lower than before with the exception of the rate on fruit in less than carload lots, under which no traffic moved. The result was that until the heavy raise in cost of transportation consequent on the war, the Crow's Nest Agreement was absolutely inoperative. From the action taken by the Government, making the assumption for the moment there was a desire to deal with the matter equitably, one would expect railway rates on western grain to advance during the war period in greater proportion than other railway rates were advanced. The contrary was the case.

Statement No. 1, filed before the special committee, gives western grain rates in cents per hundred pounds to the head of the lakes. The lowest rate enjoyed by the following points is now set out together with the rate that became effective on December 1st, 1921, together with the Crow's Nest Pass rate to which it has been reduced.

- 6 The Government action not only creates discrimination in applying \$17,000,000 to the benefit of one class of shippers but actually ~~discriminate~~ discriminates against the provisions of the Crow's Nest Pass agreement itself
- 7 While reductions in basic commodity rates were due and much overdue it must be remembered that in view of the ^{nearby} position taken by the Railway Commission that railways must have such resources as will enable them to continue to function - the \$17,000,000 is not
- (over)