

*Supply—Transport*

At heavy cost, therefore, rail lines were constructed through the difficult rock barriers north of lake Superior, as well as through the mountain passes, and Canada was linked from sea to sea by a means of transportation without which this nation might not be one nation today. By various and quite legitimate devices, those who built the railroads were recompensed for that additional cost. The people of Canada approved the provisions which were made to assure construction that otherwise might not have been possible. The principles which applied at that time are principles which still apply to the problem of transportation, and that is the problem we are discussing.

The board of transport commissioners has many duties to perform. It must deal not only with railways and the problems of construction, maintenance, operation and rates, but also with telephone and telegraph lines, express companies, international bridges and tunnels, ships on the great lakes and the Mackenzie and Yukon rivers. It must deal with pipe lines to a limited extent; that is all it is allowed to do. These other obligations and duties however are, in comparison, not nearly so important as the requirement of assuring effective transportation which can carry heavy freight of every kind from one part of Canada to the other, and to the seaports so that it will move to the markets of the world.

In this case the board of transport commissioners has heard evidence over a period of more than two years. As the minister has indicated to us, the first award of 21 per cent was made on March 30, 1948. The second increase to which he has referred was made in September, 1949, and that award was an interim increase of 8 per cent. Subsequently on March 1, 1950, the board granted 16 per cent in substitution for the 8 per cent interim increase. As has been explained by the minister, the Supreme Court of Canada found that the board must not make such a decision, subject to a qualification of the kind which they imposed. That in itself reflects upon the ability of the board to deal with this question. Perhaps the limitation on the ability of the board may not be a limitation applied to individual members. It is perhaps a limitation under which they act. In any event, their decision was thrown out, and they were called upon to consider this whole subject again.

As I mentioned, an award was made on March 1 of this year, substituting 16 per cent for the interim 8 per cent award. Then comes the strangest incident of all. While the minister has pointed out the substantial grounds of appeal, what has not been pointed out is that the main ground of appeal was

that the board had not been able to understand its own figures. Even assuming that their decisions were right as to the bases upon which they should make the awards, they were out a matter of \$13 million in their conclusions because that is what the difference in percentage amounts to in dollars.

The most recent award of a further 3.4 per cent, bringing the total increase in the last stage up to another 20 per cent, is really a finding by the board that it did not know how to work out its own decision in terms of simple arithmetic. It is not for us to say who is to blame; that, in effect, is their finding.

I submit, Mr. Chairman, that this house has no right to pass this item, which in effect constitutes approval of the continuance of the board as now constituted and under its present authority, when by its own most recent decision it has stated it cannot do its job. I go further and I submit that if the board, within more than two years and with all the evidence it has heard, can only deal with this problem on the basis of a uniform horizontal increase, except for the limited exceptions that were made, then once again I say that the board has demonstrated that, whether because of the procedure under which it operates, or the personnel, or by the lack of effective assistance it has in doing its work, it is not capable of functioning in the way it should function.

After all, this is something that relates to the day by day economy of the country. Changes in the value of the dollar, changes in international exchange, changes in the volume of production in different parts of the country, all have their effect. The enormous volume of freight that will move from Alberta, added to the wheat and other commodities that move from there, in itself affects the economic picture, and affects beneficially the cost structure in relation to capital obligations. So also do those great discoveries that have taken place throughout Canada. What we need is a board that is supplied with and supported by technical experts, who day by day can continue to examine the situation so that at any time the board may be in a position to make a decision that is consistent with the facts of the situation at the moment. What has happened, however, is this: Even if these decisions of the board were not in appeal for indefinite terms; even if we were not confronted with an appeal to the privy council, an appeal to the governor in council and possible appeals to the Supreme Court of Canada, the position in which we find ourselves is that the board's judgments alone are, at each stage, almost ancient history in