

Mr. BELL (*Saint John-Albert*): Then are we to take from the general conclusions here that this new legislation that we have before us today, its immediate benefit in dollars and cents to the maritimes, would probably be great because of the fact that our rates are high? You are expressing fears about it because it would continue to perpetuate, by the subsidy method, the condition that now exists in the maritimes, whereby truck competition has not been able to grow. Are these the other points which you make?

Mr. MAGEE: Yes, our contention is that the effect of the subsidy, the maritimes freight rate subsidy, confined exclusively to the railways and to the reduction of railway rates, has had a weakening effect on the maritime trucking industry. Also, in regard to the railway rate experience in the maritime provinces, according to the waybill figures it has been more noticeable there in the past 10 years than either in central Canada or in western Canada.

We say that to put more subsidy on will accentuate that difficulty, not improve it.

Mr. BELL (*Saint John-Albert*): But it is difficult to suggest whether the subsidy or the increase itself has caused that disparity that exists in that region. I mean, the increase itself has some effect—the horizontal increase?

Mr. MAGEE: Yes.

Mr. BELL (*Saint John-Albert*): It definitely has caused a disparity. But then you say, further, that the subsidy added on to this would greatly increase our disability?

Mr. MAGEE: Yes. The maritime freight rates under the act have reduced within the maritime region 20 per cent below the level of the standard rail rates throughout Canada in the past 30 years; on the west bound interprovincial haul, 20 per cent until 1957, and then 30 per cent. That is one of the major factors that affects the development of the trucking industry in the maritimes. We say that you cannot have it both ways. If there is more subsidy going on, you are not going to get a strong maritime trucking industry or have as much hope of getting a trucking industry in the maritimes that is as strong as the industry in western Canada and in central Canada.

The CHAIRMAN: Gentlemen, I see it is getting on towards six o'clock, and there seem to be quite a number of questions still to be asked of Mr. Magee, so I do not think we can finish with him tonight. What is the feeling of the committee? Does the committee wish to adjourn now and continue tomorrow morning?

Mr. CHEVRIER: Mr. Chairman, may I suggest that we give consideration to adjourning until 9.30? Some of us would like to do some dictation before we come here.

The CHAIRMAN: The only thing is, this seems to be the only room that is available, and we have to be out of here, and it has to be rearranged for our caucus. It will take half an hour, so we would not have too much time from 9.30 to 10.30. If we could possibly get a quorum together at 9.00 o'clock we could get away in an hour and a half.

Mr. FISHER: There are people here from the western provinces. Have they just watching briefs, or are they planning to give evidence?

The CHAIRMAN: No. Following Mr. Magee, tomorrow we are having Mr. Gordon Blair, counsel for the maritime coal company and the Saskatchewan coal company—

Mr. CHEVRIER: Are there any other witnesses besides those two people?

The CHAIRMAN: Yes. They will be followed by Mr. Jack Guest, representing the province of British Columbia; and Mr. Vaughan Paul, traffic manager of