

ously. They ranged between 8 and 12 per cent for one, depending on the commodity carried, and between 3 and 5 per cent for the other. On April 6, 1970, we had an increase averaging between 5 and 8 per cent. On September 1, 1970, we had an increase of between 3 and 5 per cent. On February 6, 1971, we had an increase of 3.125 per cent on certain non-competitive rates. The latest increase announced a week or so ago, to become effective as of March 1, 1971, is to run between 4 and 8 per cent. The net effect of these increases is this: average increases since September, 1969, have ranged between 25 and 35 per cent. On some commodities, such as lumber, the increases have amounted to more than 40 per cent. No wonder the newspapers in the area have been protesting against the government's obvious lack of concern for maritime transportation.

The *Telegraph Journal* of January 29, 1971, contains an article headed "Where is the Policy?" which reads in part:

The freight rate increase announced by the railways for March 1 will be the third within 11 months for Atlantic region shippers. The three total a minimum of 12 per cent to a maximum of 21 per cent, depending on the type of goods and services. Ah, those 6 per cent guidelines!

The problem is, of course, that this region is both absorbing country-wide increases, such as the new one, and catching up with those imposed in the rest of Canada while Atlantic rates were frozen for two years.

Now comes the crunch:

Ottawa was supposed to use those two years to work out a special transportation policy for this region. It didn't. It displays no interest in working out a co-ordinated policy to this day, and that seems to be water over the dam.

As if these increases were not enough, there is a rumour that even further increases will be brought forward as a result of a reduction in subsidies to the railways from 20 per cent to 17½ per cent.

Another editorial dated February 1, 1971, in the *Telegraph Journal* reads:

Is there no end to the succession of hammer blows inflicted on the Atlantic regional economy by railway freight rate increases?

Then, referring to the latest increase of 6 per cent to be effective as of March 1, the editorial continues:

And now shippers have been told that because the federal government is whittling down the subsidy paid the railways, for traffic moving within the Atlantic region, and the railways naturally want to recoup the lost revenue, there will be yet another increase shortly on rates within the area. Informed guesses are that this boost will be about 3 per cent.

That will be on top of the 35 per cent already imposed.

**Mr. McCleave:** Shame!

**Mr. Thomas (Moncton):** No wonder we, on this side of the House from the maritimes, are sort of sick when we hear about the government's so-called 6 per cent guidelines. The editorial continues:

It is time for the Atlantic premiers to swing into action again. They should put strong concerted pressure on Ottawa to draw up regulations providing special aid to industries whose markets are jeopardized by the subsidy reduction or any other rate juggling.

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And they should demand that Ottawa call a halt to further rate increases of any kind in this area until our long-awaited regional transportation policy become a reality.

As I have mentioned, there is a great deal of concern among shippers and businessmen in the area. They are beginning to wonder if the government will ever bring forward its long promised transportation policy. The government has been given plenty of suggestions. Very often, when we criticize the government, the snide remark is thrown back to us: what about suggestions? Well, the government has had the benefit of a great many suggestions in this field. There was the Atlantic premiers' report which outlined a comprehensive Atlantic transportation policy; there was the report of the Standing Committee on Transport and Communications which had plenty of recommendations to make on Atlantic transportation—

• (3:40 p.m.)

**Mr. McCleave:** Right on.

**Mr. Thomas (Moncton):** Then, there is the federal-provincial committee which is supposedly meeting daily. This committee has also been sending suggestions along, but unfortunately the minister and the government are only prepared to accept the recommendations with which they agree.

**An hon. Member:** Too bad.

**Mr. Thomas (Moncton):** We on this side have repeatedly asked the Minister of Transport (Mr. Jamieson) to tell us when the government is going to act on the recommendations of the premiers. Recently, in reply to a question, the minister stated the government had already acted on a number of the recommendations. Let me refresh his memory. Of all the recommendations made by the premiers, the government has acted only on those involving a reduction in the subsidy and its extension to trucks, as well as reductions in ferry rates between New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland. These are the only recommendations upon which the minister has acted, and they happen to be recommendations which tend to reduce the amount of assistance which has been granted, rather than help the situation in the Maritimes. The cabinet has completely ignored the recommendation of the premiers' report that any reduction in subsidy should be offset by special assistance to the shippers.

**Mr. McCleave:** Hear, hear.

**Mr. Thomas (Moncton):** Instead of getting better, the position of shippers in the area is worsening, because fierce competition in other parts of Canada between road and rail has led to a reduction in railway rates. So, in reality, the shipper in the maritimes is now worse off than he was before this report was written.

**Mr. McCleave:** Right, and shame.

**Mr. Thomas (Moncton):** This is why I felt it necessary last Thursday to see whether I could get some action out of the Minister of Transport who sits there and brushes