

they are beyond the point of no return, maybe they should retract and make some arrangement, whether agreed charges or whatever it is, but come back to a rate where they can live and so can we.

Mr. CHARNOCK: The test of any freight rate, whether boat or car or whatever it is, the test of any freight rate is whether or not it will move the goods; and that ties in with other economic conditions, as you all know.

Mr. DRYSDALE: Mr. Chairman, Mr. Charnock mentioned earlier he had some questions on truck operating costs. I notice Mr. Magee is still here and I would be interested in hearing Mr. Magee's reply, if we can recall him, and Mr. Charnock would like to ask the question.

The CHAIRMAN: You can put your question on record, Mr. Charnock, and we will ask Mr. Magee to come up and answer it after you are finished.

Mr. DRYSDALE: Would it not be easier to clear it up now?

The VICE-CHAIRMAN: Apparently there are some rules regarding witnesses asking other witnesses questions and in that way taking the proper authority away from the committee and it could get out of hand.

Mr. DRYSDALE: I just wanted to have the record complete. It looks rather ludicrous, as we had a theoretical or hypothetical question from Mr. Charnock.

The VICE-CHAIRMAN: Well, you can put the question on record now, Mr. Charnock, and Mr. Magee can take notice of it and we will call him back to answer it.

Mr. CHARNOCK: It is entirely on the questions and answers that took place yesterday morning and I think it would be well if Mr. Magee would clear up that point as to whether or not the truckers' rates are based on costs and what authority, if any, is used to see that that base is valid. As I say, that is based entirely on what took place yesterday, because from my unbiased point of view it seemed that a great deal of the questions and answers are irrelevant, if that is not the case.

The CHAIRMAN: Any further questions now?

Mr. FISHER: You make the suggestion that perhaps it is a poor way to do things, to force this subsidy through the complicated rate structure; that it would be much simpler to just give a direct payment to the railways. Have you any ideas of the weaknesses involved in that particular suggestion?

Mr. CHARNOCK: That is a dirty one from you, my friend; of course I have. The supposition is that, in granting this subsidy and so on, that you are relieving the situation and that in putting through increased revenue for the carriers, be it through freight rates, you are distributing the burden of that increase to the people who actually use the services. But from my point of view it is a question that can well be debated by people qualified to do so on a higher level, as to whether or not that is the case, because as we have pointed out, and as Mr. Styffe has shown, certain small businesses, comparatively small, stand a higher percentage of increase than certain others who are able to get agreed charges, and so on.

The question of distributing the cost is a big question and I realize that; but it is being met to a certain extent in connection with the National Harbours Board where certain of their branches have very considerable financial deficits, and I do not think it is beyond the possibility of adjustment. There are problems, but the point is this, that it has become a regular pattern now, this three-play procedure of labour to board to parliament; and how far can that go?

We have already suffered some losses in our neighbourhood. We have had large firms threaten to pull out when an extensive part of their difficulty, in large part, can be attributed to these increases. How is a reasonably large firm or how are a lot of small firms to carry on their business, if they do not know sufficiently in advance, or in a reasonable time, what charges they are