

establishing prejudice or disadvantage to himself under Section 7, the only remedy is cancellation of the competitive tariffs in question, not a reduction in the applicant's rate, and it is submitted that in the present competitive environment that remedy would be of no use to the shipper applicant nor to the railways but only to the trucks for the reasons given by Chief Commissioner Guthrie above quoted.

12. It is therefore quite unrealistic to say that the Atlantic Provinces shipper has any effective means of invoking Section 7 to overcome the effect on him of competitive tariffs established outside the select territory by the railways to meet truck competition.

13. Exhibit No. 1 filed by the Department of Transport shows a downward trend in the percentage of traffic measured in revenue and carloads which moves at non-competitive class and commodity rates in the several freight rate regions of Canada. While the Maritime territory, like the other territories, has had a decrease in the amount of traffic moved at non-competitive class and commodity rates, it still has the largest percentage of non-competitive traffic of any territory of Canada.

14. What Exhibit No. 1 fails to show is the effectiveness, or depth, of competition in the several territories. The showing of a percentage growth in the number of carloads, or the revenue produced by such carloads, of Maritime traffic moved at competitive and agreed charge rates does not show conclusively whether competition is effective in reducing rail rates or whether the competition is of a shallow type which has been able to make only minor reductions in the existing maximum rates.

15. The submission of the Maritimes Transportation Commission is that while the development of competition since 1949 has produced some minor rate reductions for Atlantic Provinces' traffic it has been far less effective in reducing Maritime rates than rates in other parts of Canada, particularly Ontario and Quebec. It is not possible to show in detail the depth to which competition has been able to reduce rates in the several regions of Canada. It is submitted, however, that Appendices 2 to 7 to the main submission of the Maritimes Transportation Commission, particularly Appendix 5, illustrate that competition for Maritime traffic has not been as effective in reducing rail rates as in Ontario and Quebec.

Respectfully submitted,

THE MARITIMES TRANSPORTATION
COMMISSION

On behalf of the Provinces of
Nova Scotia, New Brunswick,
Prince Edward Island and
Newfoundland.