

*Box Car Distribution*

**Mr. Pickersgill:** The minister satisfied himself in that case there was no present obligation to table these under the Regulations Act.

**Mr. Fulton:** That is correct, yes.

Motion agreed to, amendments read the second time and concurred in.

**CRIMINAL CODE**MOTION FOR CONCURRENCE IN SENATE  
AMENDMENTS

**Hon. E. D. Fulton (Minister of Justice)** moved the second reading of and concurrence in amendments made by the Senate to Bill No. C-58, to amend the Criminal Code.

Motion agreed to, amendments read the second time and concurred in.

**GRAIN**ANNOUNCEMENT ON RAILWAY BOX CAR  
DISTRIBUTION

**Mr. Speaker:** I understand the Minister of Trade and Commerce is requesting leave to revert to motions. Is it the pleasure of the house to give such leave?

**Some hon. Members:** Agreed.

**Hon. Gordon Churchill (Minister of Trade and Commerce):** I have an important announcement to make with regard to railway box car distribution. The government has given careful consideration to the report of the inquiry into the distribution of railway box cars as submitted by Mr. John Bracken and also to the representations relating to this report submitted to the government by the wheat pools, the United Grain Growers Limited and the Northwest line elevators association.

The Canadian wheat board, in allocating box cars to elevator companies, has been operating under an instruction issued to it by my predecessor in office, Right Hon. C. D. Howe, dated July 13, 1954. This instruction was of a very general nature and its administration depended in a large measure on the judgment of the Canadian wheat board. Under this directive the allocation of box cars was based primarily on the proportion of business each company enjoyed prior to congestion developing.

In its administration of delivery quota policy in times of congestion of country and terminal elevators the wheat board has over the years taken the position that available elevator space should be used to the greatest possible extent and that railway cars, as far as possible, should be placed at delivery points which are congested and lagging in respect to delivery quotas, rather than at delivery points where space is available.

[Mr. Fulton.]

I now wish to comment on the main recommendations as submitted to the government by Mr. Bracken. It is noted that Mr. Bracken's recommendations are framed to allow farmers the fullest possible exercise of their right to deliver to the elevator of their choice in times of congestion. While emphasizing the importance of freedom of choice in selection of elevators by farmers, Mr. Bracken states clearly in his recommendation No. 4 as follows:

It is recommended that no procedure be allowed to impair the wheat board's sales efficiency or to get in the way of bringing forward the kinds and grades of grain most needed to meet market requirements from time to time.

Mr. Bracken indicated the overriding necessity of the board to give primary consideration to the movement of the kinds of grain and the grades of grain required to meet market demand. Whatever else happens, every opportunity should be taken to get grain into export and domestic markets. This has been the policy of the wheat board over the years, and must continue to be the primary responsibility of the board.

The general approach of the inquiry to the problem which it had in hand is indicated by Mr. Bracken's recommendation No. 1, which reads as follows:

It is recommended that the present box car distribution procedure give way to a more fully competitive elevator operation—both at local points and as between companies—as far as this is practical under present conditions.

I am sure that producers and elevator companies alike share the view that there should be maximum competition in the handling of producers' grain. This recommendation is qualified by the words "as far as this is practical under present conditions". No doubt Mr. Bracken appreciated the requirements of the wheat board as a merchandising organization, the need for some attention to equality in delivery opportunity and the need to utilize as fully as possible available storage space during times of elevator congestion. These are very practical and reasonable qualifications.

Mr. Bracken's recommendation No. 5 is most important, dealing as it does with the concept of a more competitive elevator operation. This recommendation reads as follows:

It is recommended that, whatever the future policy of banning shipments may be, at points which have one or more full elevators, while others have space available for new business, the practice of embargoing shipments from full elevators at such points be discontinued.

In this recommendation lies the crux of the report of the inquiry. Here Mr. Bracken breaks new ground and departs from the established policy of the board. He is of the opinion that a congested elevator is entitled