

Mr. HAZEN: Could the minister tell us whether this matter has been explored further; has anything been done about it?

Hon. Mr. CHEVRIER: It is under consideration all the time because of representations that are made by the railway, but so far as further exploration is concerned, unless the provinces consent to give up a part of their jurisdiction, I do not think we can proceed any further.

Mr. HARKNESS: Mr. Vaughan, in connection with these increases in rates which you people no doubt have been studying, are you thinking of a flat increase, or are you thinking of a revision of railway rates generally in that connection?

Mr. VAUGHAN: That has not been determined either. We will probably follow to some extent what has been done in the United States, not necessarily using the same percentages. They have asked for a flat increase of 25 per cent on most commodities with specific increases on other commodities such as coal, lumber, ore and things like that.

Mr. HARKNESS: What I was thinking of is this: you know that there is a great deal of dissatisfaction in some parts of the dominion over the freight rates the people have to pay, and I was wondering whether your proposals involve a revision of the freight rate structure in order to meet some of these inequalities.

Mr. VAUGHAN: No, sir; any application we would make for an increase in freight rates would not take those matters into account; we would only deal with the freight rate structure as it exists at the present time.

Mr. HARKNESS: I wonder if the minister could tell us whether anything is contemplated in the revision of freight rates?

Hon. Mr. CHEVRIER: Well, I think the president has answered that very well. It is not up to the government to make application in regard to freight rates.

Mr. HARKNESS: What I was thinking of is this: all kinds of bodies in western Canada particularly have made application for revision of freight rates—

Mr. Mutch: Reduction.

Mr. HARKNESS: A revision to bring some of these freight rates in certain areas more in line with freight rates in other areas, and I was wondering if the government was exploring that situation at all or had contemplated doing anything along that line?

Hon. Mr. CHEVRIER: Perhaps the best way to answer that is to tell Mr. Harkness that the question of freight rates is one which is a difficult one, and perhaps one of the most difficult things to understand is the manner in which freight rates have been set up all across the country. The application, should it be made, would, I presume, be made by the railways to the ordinary court, namely, the Board of Transport Commissioners of Canada. Whether the application would be one for a flat increase or one for increases in various parts of the country, I do not know. The president says he is giving that some consideration; but if an application were made to the Board of Transport Commissioners I believe that anybody affected would have the right to reply, to put in a counter-submission, suggesting that in certain parts of Canada there is an unfairness created by the rates, and asking for revision downwards. It would then be up to the board to decide what decision to make under the circumstances. That is one method of dealing with the difficult and complicated question of freight rates.

Mr. VAUGHAN: Wartime prices control is involved.

Hon. Mr. CHEVRIER: As the president points out, there is that very important feature, namely, that under the regulations of Wartime Prices and Trade Board