

tion to us today. I think those members of the committee who do not come from the Atlantic provinces, and who do not therefore bring to the committee a background of understanding in this matter, undoubtedly will realize how justified are the complaints of the commission from the representations made here this morning.

There are a few questions I would like to ask; and first I would begin by asking the representatives of the commission if they think it would be possible to maintain statutory advantages, such as those set forth in the Maritime Freight Rates Act, in a transportation environment parts of which are increasingly competitive.

Mr. DICKSON: Mr. Stewart, if I may repeat your question to get it clear in my mind was this: Is it possible for the intended statutory advantages of the Maritime Freight Rates Act to be retained in a transportation environment which is competitive in many ways and yet is not evenly competitive throughout the nation. As the Maritime Freight Rates Act is drafted now, it is not possible, or we would not have been able to have presented the evidence we have shown to you.

I would not want to suggest that it is not possible to restore the intended statutory advantages of the Maritime Freight Rates Act in that type of environment. I think men of goodwill and ingenuity should be able to find a way by which the intended position of the maritimes could be maintained in a competitive environment of uneven degree.

Mr. STEWART: In other words, your answer to my question would be yes, is it possible?

Mr. DICKSON: Yes, I think it would.

Mr. COOPER: May I add that undoubtedly the ways and means of accomplishing this result would be one of the central points in the inquiry which the Rt. Hon. Lester B. Pearson has said would be made into the problems relating to maritime transportation and the Maritime Freight Rates Act.

What we are asking for in our submission is that our rates, or those rates under the Freight Rates Reduction Act, be maintained at that frozen level until this question has been explored in the special examination which will be made.

Mr. DICKSON: May I add one other comment there, Mr. Stewart?

At the top of page 8 of our main submission we say "such an examination"—a special examination—"must have as its primary objective the restoration, in this competitive transportation era, of the national policy respecting transportation for this region of Canada that was originally expressed", and so on.

Mr. STEWART: I would like to ask, Madam Chairman, how the commission foresees that the formula laid down in Bill No. C-120 for fixing the maximum rate to be applied to captive traffic would be affected by the reduction prescribed by the Maritime Freight Rates Act.

What I would like someone to do is to go through the administrative process by which the maximum rate would be attained, and then the process by which the maximum rate which ordinarily would apply would be affected by the terms of the Maritime Freight Rates Act.

Mr. DICKSON: Well, Mr. Stewart, Bill No. C-120 provides that maximum rates are subject to the Maritime Freight Rates Act. I shall try to illustrate the mechanics by giving a maximum rate and what might happen to it, because that is what I think you are interested in.

Let us suppose that a shipper goes to the board of transport commissioners. If he can establish all the requirements which are now provided for him to meet in the bill, and it can be determined that he is entitled to a maximum rate, then presumably the board of transport commissioners will fix a maximum