

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. J. H. FERGUSON (Simcoe North): Mr. Speaker, there is a gathering in the city of Ottawa of most distinguished gentlemen from across Canada and may I suggest that the members of the government, if they are sincere in their requests for forgiveness for the gross mismanagement of the country's affairs, might go down there and join that party.

SUPPLY

FREIGHT RATES—INCREASES ORDERED BY TRANSPORT BOARD—AMENDMENT, MR. COLDWELL—SUBAMENDMENT, MR. BRACKEN

The house resumed from Thursday, April 15, consideration of the motion of Mr. Abbott for committee of supply, and the amendment thereto of Mr. Coldwell, and the amendment to the amendment of Mr. Bracken.

Mr. T. J. BENTLEY (Swift Current): Mr. Speaker, when this debate was adjourned last Thursday evening I was pointing out some of the reasons why the railway companies found it necessary to seek an increase in freight rates in this country. One of the reasons I gave was the overcapitalization of at least the Canadian National Railways, and I cited some very good authority to substantiate my statement. I have one more piece of evidence to offer to the house in further substantiation of my statement, and that is the news report in this morning's papers that the president of the Canadian National Railways said that the Canadian National is paying \$44,000,000 in interest charges every year, which is three times the amount of interest charges that the Canadian Pacific has to meet. That in itself is a potent reason why the railways should be revalued, particularly the Canadian National Railways, and written down to their actual cost. Then, as I said before, if there is a debt still due to the bondholders which is properly theirs, let it be serviced and paid by all the people of Canada, not by just some sections of this country.

I also pointed out that one of the results of the judgment of the board of transport commissioners was to increase freight rates not simply by 21 per cent but by over 100 per cent on many small shipments because of the board's ruling that the railways could charge a 75 cents minimum on all less than carload lot shipments of less than 100 pounds. I also pointed out that because of that fact many private concerns in this country were taking advantage of the increase in freight rates to

add, for their own profit and benefit, the increased rates to the price of their goods, thus making the order in effect retroactive even though the judgment by no means gave any authority of that kind.

Now I want to give another reason why I think the railways of this country felt called upon to ask for an increase in freight rates, and it is this. There is entirely too much influence on the Canadian freight rate structure by the railroads in the country to the south of us, by our friends of the United States. I think in this as well as in many other matters there is entirely too much influence by Washington and allied interests down there on our whole Canadian economy. These two particular faults that I have mentioned may be laid at the door of all past governments that Canada has had. They do not necessarily have to be laid at the door of the government which is at present in power, although this government must take its full share of the blame. There are others to blame also.

There is one reason, however, why this government should undoubtedly be censured right now for what has taken place. Nowhere in the judgment do I find it stipulated that any single part of the 21 per cent increase in rates was earmarked for an increase in the wages or salaries of workers. When therefore my friends opposite accuse us of trying to prevent the railway workers from getting an increase in wages, they are simply shedding crocodile tears and using specious arguments. Had there been one word in the judgment indicating that a part of the increase was to be used for the purpose I have mentioned, it might have been easier for us to feel kindly, at least to the extent that such an increase was to be given to the workers.

The third reason why it is asked for is something which is directly attributable to this government, and that is the failure of the government to listen to the advice of this party since 1945 when we demanded the continuance of price controls in Canada into the days of peace at the level that had obtained in the days of war. The government refused to follow that course. Three years ago we found they were beginning to release controls, aided and abetted by their common law wife in this house, the Progressive Conservative party, which supports them on all measures of this kind, in the interest and to the profit of their own particular friends throughout the country. The releasing of the controls began at that time, and its continuance up to the present day has been the greatest single factor causing the board of transport commissioners to justify the increase granted.