

Mr. HORNER (*Jasper-Edson*): If 590 miles is a long haul, it would go from one end of my constituency to the other; and that is where the agricultural produce is playing a major part in trucking. But that is not a long haul in western Canada. I accept the evaluation of your figures, but they discriminate because there is a two to one difference.

Mr. PHILLIPS: I would like to ask if there has been any increase in trucking rates following the 7 to 8 per cent increase in freight rate granted to the railways?

Mr. MAGEE: Well, with between 6,000 and 7,000 trucking companies, it is almost impossible to give a national answer to a question like that. But there have been increases in trucking rates. For example, I know there was an increase in the province of Quebec after the 17 per cent increase. In that province the rates are regulated. They are under government regulation by the Quebec transportation board, and the operators cannot change the rates without the permission of the board. They must file new rates and show financial need before they can make rate increases. I have some knowledge of the rate increase that took place in Quebec, and they were granted on the basis of financial justification.

Mr. PHILLIPS: What percentage of the total revenue received by the trucking associations would come from materials carried by the railways under class and commodity rates?

Mr. MAGEE: In the class and commodity rates?

Mr. PHILLIPS: Yes?

Mr. MAGEE: As we indicated at the beginning of our brief, we said that the freight rate reduction under the subsidy would have little immediate effect. There is very little traffic at the present time, hauled by truck, that is related to the present railway class and commodity rates. There is some. I am talking about non-competitive class and commodity rates. These have been difficult for us to check. When the resolution came before the house we made a survey across the country through our provincial trucking association offices. We are not freight rate experts. We know our way around trucking company tariffs, but going through the railway tariffs is a much more difficult job. I can only present the picture to date and that is that in one province, Ontario, there are some class and commodity rates which, when they go down, are going to collide with existing trucking rates. There may be other instances in Canada, but not many at the present time.

Mr. BELL (*Saint John-Albert*): Mr. Magee, you make the general statement or conviction that aggregate freight rate increases since World War II have not built up unfair discrimination against any region in Canada, and I appreciate that is a general statement. But you say that railway rates increased faster in the maritimes and that the average level of rates in the maritimes is somewhat higher. I also appreciate the contention you are making. But I wonder if you could reconcile these for me, because they seem to be in conflict, in a general way at least.

Mr. MAGEE: Our contention is that the maritime freight rate subsidy of the past thirty years has had a weakening effect on trucking. It may not be the only factor, but we think it is the important one which is holding back the development of the trucking industry in the maritime provinces to a very noticeable degree, in comparison with the condition of the industry elsewhere.

Mr. BELL (*Saint John-Albert*): Do you include the maritime freight rates statutory subsidies in your calculations in the same way as the Crowsnest pass rates?

Mr. MONTAGUE: No.