

Transportation

and say that this is a discriminatory rate which the railroads are forcing me to use. I should be able to ask the commission to consider whether or not it is discriminatory and to rule on what the rate should be. I do not believe this is asking too much. I do not believe it is asking too much to have such words added to this clause as, "his business or the public interest." The minister may word the amendment any way he likes. I find that my suggestions are more readily accepted if I allow the minister to work out the details.

Surely a shipper should have the right of appeal if he feels rates are discriminatory. A shipper did have this right under the old act and that is all we are asking for under this bill. I mentioned a small vegetable oil plant in Lethbridge which is now in the grip of what the people concerned feel to be a discriminatory rate. In other words, unless they receive some relief from the transportation problem connected with their commodity they will practically be forced out of business. This is the sort of thing with which industries have been faced in this country from time immemorial. If you are starting up a plant, you must first of all consider the location and the transportation rate on the finished product.

The mining association said that in some cases something like 70 per cent of the cost of their finished product is transportation. They said that on the average 50 per cent of the cost of putting their goods on the market was transportation. I do not believe the percentage is quite that high for manufactured goods. However, I do feel this is a major consideration for any manufacturer who is starting in business. He has to locate that business at a point where he can obtain raw materials at a low transportation rate and also send his finished product into the market at a low transportation rate which will enable him to compete. This clause does not give him enough protection.

This is where I come to the crux of my problem. I say this clause does not give him enough protection from discriminatory action by the railroads. Many people feel that the railroads are in a position, through their regulations, to rule out unjustly a plant, a manufacturer or an industry. This gives the railroads a power to which I do not feel they are entitled. I do not think this house feels they are entitled to it and I do not think the people of Canada feel the railroads are entitled to that power.

We must bear in mind the fact that the railroads have to some extent been built with

funds from the public treasury. The minister well knows this is true, and this aspect of my remarks has been discussed by many members. One must bear in mind that basically the whole transportation industry in this country has been subsidized and maintained by the taxpayers. It is for this reason the taxpayer says, "I want protection; you have spent my tax dollars." He says, "you have spent my tax dollars on the St. Lawrence Seaway, which is a means of transportation, you have spent my tax dollars on the Canadian National, which is a means of transportation, and I want protection. You have subsidized many aspects of the Canadian Pacific, and I want protection."

The citizen says he wants protection from discriminatory action by each one of these modes of transportation. As I say, clause 16 really does not give that protection. The minister's amendment does not go quite far enough although it goes farther than clause 16 and I commend the minister for suggesting it. The minister's amendment may be acceptable to the committee, and I have no objection to it. However, I wanted to speak on it before it was passed. I wanted to point out that it did not go far enough. There should be some words added either before or after "public interest" or there should be a definition of public interest in this bill. What does public interest mean?

I am sure I have gone into that sufficiently to enlighten the minister as to my views in that regard. I invite the minister to comment on the meaning of public interest if he has not done so.

Mr. Pickersgill: The hon. gentleman did not miss anything by being out making his telephone calls because I did not deal with this particular problem. I am very glad to deal with it now. When the Fathers of Confederation put the peace, order and good government phrase into section 91 and then said "notwithstanding the generality of the foregoing", they found out that "the foregoing" did not mean very much. I would be loath to restrict the capacity of the commission—after all its judgments can be appealed to the courts if it makes a mistake—and circumscribe its ability to define what is the public interest.

• (6:40 p.m.)

This is a real problem and was the main reason I proposed the amendment last night to clause 1, which really was suggested by hon. gentlemen opposite, that the conditions set out in clause 1 were by clear definition part of the public interest. Therefore, because of the fact