

Equalization of Freight Rates

Some five years ago, the Manitoba government commissioned an economic survey of northern Manitoba. It might be interesting to take a look at what this commission, which was conducted by Arthur D. Little, Inc., had to say in regard to the relation between transportation in northern Manitoba and the possibility of encouraging forest products industries in the area. They said, and I quote:

Transportation is of considerable importance in pulp and paper operations, both for the supply of raw materials and for the delivery of finished products. For raw material supply, northern Manitoba offers facilities comparable with areas in which pulp and paper mills have been successfully established; for the delivery of finished products, however, it suffers from a serious competitive freight rate disadvantage.

In 1959, I mentioned some specific freight rates which were contained in this economic survey report in relation to newsprint and pulpwood. Today, I should like to point out a few of the rates which presently apply in relation to foodstuffs and so on—rates which affect directly, and are borne mainly by, the average working man.

Under agreed charge No. 1,126 from Vancouver, using the 30,000 pound minimum category, we find that foodstuffs can be shipped to Dryden, Ontario, which is 1,673 miles, for \$2.40 per cwt., and to Fort William, which is 1,883.5 miles, for the same price, \$2.40 per cwt.; but to Flin Flon, which is only 1,479.7 miles, the rate is \$2.47 per cwt., and to Lynn Lake, which is 1,630.3 miles, the rate is \$2.80 per cwt. Hon. members will see that these rates represent higher rates for shorter distances.

Under the same agreed charge, No. 1,126, the rate from Vancouver to Winnipeg is \$1.85 per cwt., a distance of 1,464 miles, while to The Pas, a distance of only 1,388 miles, the rate is \$2.33 per cwt. These inequities obtain in the Swan River valley, Thompson, Churchill, and in fact all points along the rail lines to Lynn Lake and Churchill, as they have done throughout the years.

The same situation applies in the case of goods coming from eastern Canada under agreed charges Nos. 1,089 and 230, which show higher rates to these northern centres than to many points in western Canada a much greater distance away from the original shipping point. This is why I feel that unjust discrimination has been going on for many years in regard to these rate structures on all types of freight traffic to northern Manitoba, and I cannot impress upon the government too strongly the urgent need for relief of the situation which exists.

People in many of these northern points desiring to go for a holiday to other parts of Canada and wishing to drive their automobile, must ship that automobile out to the

nearest highway and back in again, and there is continuous complaint about this particular rate. Last fall a reduction was made in regard to this rate in and out of Lynn Lake; but last month, I am told, the rate was changed back again to what it was before. I believe this rate on automobiles also warrants investigation and a downward adjustment.

As I mentioned earlier, these unjust freight rates seriously affect every person living in the north, but the two main complaints are that they tend to discourage a more rapid development of that part of Canada while, at the same time, digging deep into the pockets of the family breadwinner. The points I have mentioned represent only a few of the reasons why I welcome this opportunity to bring to the attention of the house and, in particular, to the attention of the government, the urgent need for the equalization of freight rates in all parts of Canada.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, the problem which occurs to us when we look at the motion before the house is that part of it is a kind which one cannot be against—it would be like being against children, or motherhood, or the royal family at most times. That is the part about the advisability of establishing equalized freight rates. This is the dream, or the ideal, of almost every area—that its freight rates should be equalized, as far as the burden is concerned, with those in the areas where the rates are lowest. It is impossible, in a sense, to be against this idea. I think everyone in the last 40 or 50 years who has talked about freight rates has held it; all the myriad delegations to hearings, the briefs presented before royal commissions, have urged this as a principle.

I have here the index to the hearings of the royal commission on transportation, 1959, and under "freight rates structure" there are a number of headings. In connection with the heading "equalization rates" there are a great many references to show that this has been the position taken. To put it succinctly, everyone is for the equalization of freight rates.

But when we come to the second part of the hon. member's motion, the part containing the words "in order to provide a more equitable cost of various goods and services in all parts of the nation", one finds a continuation of this idea without anything specific being put forward to indicate how equalization would be achieved. With all respect to the hon. member, he talked more about the inequalities than he did about the means of removing those inequalities. The hon. member does not make any distinction between railways and trucks. Yet it is obvious that with the kind of freight being carried today you