

extremely carefully prepared and ably presented brief of Canadian trucking associations endeavours to show on rail revenue per ton mile that the index of authorized rail rates is entirely meaningless in the assessment of the impact of freight rate increases on regions or types of traffic. Instead reliance is placed by C.T.A. on an index of average revenue per ton mile, which is admittedly much below the other index.

Of course—and Mr. Mauro pointed it out extremely forcibly this morning—in so far as the shipper is concerned, the railway revenue per ton mile is rather meaningless. I had pondered, following the accusation levelled against us in the C.T.A. brief, whether we should go, for instance, to the Dominion Steel and Coal Corporation and tell them that they had an emotional approach to their freight rate problem. I had wondered, in the light of the C.T.A. brief whether that great company and ourselves had not perhaps, by propaganda, whipped up the freight rate issue completely out of proportion. Had we not done this? The facts are there on the basis of revenue per ton mile. After all, while freight rate increases of 157 per cent have been authorized since the end of the war, the ton mile revenue on billets and blooms from Sydney to Montreal has only risen by 74 per cent. Perhaps, this would not be a cause of major concern.

Then I looked at the rates. In 1948, \$4.30 per gross ton. In 1957, \$10.02 per gross ton, a rise of 133 per cent. If concern over such an increase is emotionalism, if it is propaganda to be appalled at such a rise, then I am afraid we will have to be emotional about it.

Canadian trucking associations point in their brief to the growth of competitive rates. From this, at page 18 of the brief, the conclusion is drawn that because of the growth of competition a further shifting of the freight rate burden on the Atlantic and western provinces is impossible and that, therefore, the argument about regional imbalance and distortion in the rate structure due to an unequal distribution of the competitive factors is no longer based on facts.

Certainly, competitive rates have grown in the Atlantic provinces and we are glad of it; and they will continue to grow. But there is one thing one should bear in mind. There are vast differences between competitive rates when it comes to general freight rate increases. It is following a general rate increase that the man-sized competitive rates of Ontario and Quebec are separated from the boy-sized rates in the Atlantic provinces. A competitive rate is no insurance against general freight rate increases when you are in our part of the country. For instance, we compete in Montreal with Toronto producers in the sale of electric stoves. Our competitive rate into Montreal went up by 17 per cent last December; Toronto's competitive rate was not touched. We have kept track as much as possible of exemptions in the competitive rate tariffs of the railways both in the maritimes and in central Canada. We know from this check that we are mere amateurs in the maritimes, when it comes to escaping rate increases on competitive rates. I am afraid, therefore, that merely to point to the growth of competitive rates is not sufficient. The quality of these rates, their strength to withstand the onslaught of rate increases,—that is part of the real issue. On that test, we in the Atlantic provinces are sadly deficient.

Canadian trucking associations come to the conclusion, albeit for what we think is the wrong reason, that railway rates increased faster in the maritimes and elsewhere in Canada and that the average level of railway rates is higher than the national average. I respectfully refer you to page 25 of this C.T.A. brief in this connection. At page 26, the following page, the C.T.A. submission gives reasons for this discriminatory burden which has