

*Transportation*

However, if you take the grain from that elevator up to the farms in the Fraser valley, the freight rate now becomes \$13 a ton. A federal subsidy applies to this, of course, and absorbs most of that charge. The subsidy amounts to \$8.60 a ton between Calgary and Vancouver; with a domestic rate of \$13 a ton, there is an abatement of freight charges by way of subsidy of \$8.60.

Let us now consider the freight charges from Calgary to Fort William, a much longer rail distance. From Calgary to Fort William the rate is 26 cents a hundredweight or \$5.20 a ton. That rate is an export rate as well as a domestic rate. Grain moves at exactly the same freight rate eastward from Calgary whether it is for export or for domestic use.

So if you happen to be feeding poultry or livestock in eastern Canada, Mr. Chairman, your feed carries the same freight rate as export grain. On the other hand, if you happen to be feeding poultry or livestock in the Fraser valley you are going to pay something in the neighbourhood of \$8.60 to \$9 a ton more for the carriage of your grain.

What the farmers and others interested in British Columbia say is this: Let the railways move this grain at the same rate that grain is moved eastward under the Crowsnest rates and give the farmers in British Columbia precisely the same treatment eastern Canada enjoys in the eastward movement of grain. It is not an amount of grain that is very significant. I understand the whole of the subsidy that is paid is in the neighbourhood of \$2 million. The farmers of British Columbia ask that the subsidy be removed and that shipment of grain westward stand on its own feet under the Crowsnest rates. The farmers of British Columbia also ask for the same privileges and advantages when it comes to feeding livestock and poultry as are granted to anyone living east of the head of the lakes.

I suggest this is a reasonable appeal, Mr. Chairman. It is not one which would in any way distort the bill. They have made this appeal to this house and to the Canadian government time and again, and I think it is a very valid one. Therefore, I ask whether the minister would consider the matter at this time.

I realize that the appeal was rejected by the minister at the time these gentlemen appeared before the committee, in part, as he pointed out, because the province of British Columbia had made no particular appeal for the removal of this subsidy.

**Mr. Pickersgill:** The government of British Columbia said they did not want it removed.

**Mr. Deachman:** That is correct; and it is because the province of British Columbia are the operators of a railway. The operators of railroads are all in favour of keeping the rate up. In moving feed grain into the Fraser valley the railway enjoys the umbrella created by the subsidy, and wild horses would not pull Mr. Bennett to Ottawa to ask that his railway forgo the protection the federal government affords it in the form of this subsidy. Mind you, Mr. Chairman, this subsidy goes into the pockets of the treasury of the Pacific Great Eastern, whereas the subsidy provided Canadian railways moving grain into the Fraser valley comes out of the treasury of Canada. So the most I can say is that in its recommendations the province of British Columbia simply reinforced the argument of the farmers for the removal of this subsidy.

There are a couple of ways this can be done, Mr. Chairman. By simply striking out the words "for export" in these proposed sections the government could bring about easy amendment of the bill. The freight rates would then stand on their own feet. Alternatively, if the government wanted to drag its feet on this—and God knows, governments have dragged their feet on this for half a century, in and out of every type of government—it could include in section 329 a provision that this question be examined when the Crowsnest rates come up for review three years from now.

At this time I am sure that an opportunity will present itself to review this question, along with other matters affecting the Crowsnest rates. So I would appeal to the government before the bill passes to reconsider what the hon. member for Kenora-Rainy River and others have said many times about this question, and to let the people of British Columbia enjoy the same privileges under the Crowsnest rates as the people of Ontario. We would be very happy if this were done, and would fall into the minister's arms in admiration of this bill.

**Mr. Churchill:** Would the hon. member permit a question?

**Mr. Deachman:** Yes.

**Mr. Churchill:** Would the hon. member now display his courage and move the appropriate amendment to enforce his sound argument? He might get quite a bit of support for it.