

Mr. BLAIR: Yes. I am sure they would not have entered into them if there was not compensatory.

Mr. FISHER: In other words these rates which do apply with these raises have been profitable to the railways?

Mr. BLAIR: Yes. We have argued before the board on several occasions that the lignite coal rates are highly remunerative to the railways because it is a short movement and is carried in train load lots.

Mr. FISHER: Is it in no sense in competition with Alberta coal?

Mr. BLAIR: No; fortunately for Alberta coal we are not. They have been virtually excluded from the Winnipeg market because of other circumstances.

Mr. CHEVRIER: In the beginning of your brief you say there has been no relief from any of the successive flat cents-per-ton increases. Does that mean in the 17 per cent case you got no relief?

Mr. BLAIR: Do you mean the most recent increase?

Mr. CHEVRIER: Yes.

Mr. BLAIR: No, we were given the same 22 cents per ton which applies to all higher valued coal produced and shipped in Canada.

Mr. CHEVRIER: Then what is meant by the sentence "... has received no relief from any of the flat cents per ton increases imposed on all coal in post war years".

Mr. BLAIR: What I mean by that is we never have been able to make the argument stick before the board of transport commissioners, or other tribunals, that as a low valued commodity moving over a short haul we should have received a lesser increase than the same charge per ton put on other coal.

Mr. CHEVRIER: But you did get the increase which was authorized for coal and coke?

Mr. BLAIR: Yes.

Mr. CHEVRIER: On what classification of rates does the coal move—normal commodity?

Mr. BLAIR: I think they would be properly described as commodity rates. Mr. Knowles nods his head.

Mr. HORNER (*Acadia*): I have a question which I want to clear up in my own mind. Are the coal mines in the eastern part of Alberta, mainly around Sheerness, the strip mines a subsidiary of this Great West Coal Company at Estevan?

Mr. BLAIR: I think they are. I know they own some coal mines in Alberta and I think Sheerness is the place.

Mr. PASCOE: Mr. Chairman, as a member from Saskatchewan I would like to compliment Mr. Blair on his presentation. In looking it over I see it says the lignite industry protests against the exclusion of lignite coal from the subsidy relief. Have you made application to the board of transport commissioners before presenting these facts and, if so, what was their reply?

Mr. BLAIR: I am afraid the board might say we have been rather constant attenders at their various hearings.

Mr. PASCOE: I mean in respect of what you have here now?

Mr. BLAIR: We were present at the 1958 case, the case which was decided last autumn and the board ruled we were entitled to no special treatment as compared to other shippers of coal. We did not make any appeal against that ruling to the board or the cabinet because our position was obviously fixed by that decision.