

Department of Transport Act

the same applies to the other prairie provinces, has not received its fair and reasonable allocation of freight cars.

I should like the minister to explain one thing. Why did the western farmers receive so little consideration with respect to the numbers of freight cars that were made available? Why was there this shortage of 31,000? I direct this specific question to the minister because if I am right in the assumption inherent in the question the responsibility certainly falls on the shoulders of the transport controller. Did the shortage result from the fact that there is more profit to be made by the railway companies in hauling these other commodities than there is in the hauling of wheat? Is that the reason so little attention was paid to the demands of the western farmers for action in making available to them the necessary cars?

I am not going to repeat the picture in detail. On February 3 I set out the details of the situation as found at page 838 and following of *Hansard*. I merely summarize what I said then in order to support the argument that I make now. Up to December 8, 1954, 67,791 freight cars were unloaded at the lakehead.

Mr. Marler: How many did the hon. member say?

Mr. Diefenbaker: 67,791. In the following year, that is, the present crop year, 45,537 had been unloaded by December 8, or 22,000 less. From then on in December and January the situation became worse until on January 10, 1956 the shortage amounted to over 30,000 cars. Indeed, western farm leaders contended that the shortage was some 36,000 cars. I know there has been some alleviation of that condition since but the fact still remains that the powers conferred upon the transport controller have not been used, and powers unused are not effective powers.

The transport control regulations made under the act are set forth in the consolidation of statutory orders and regulations for 1955. The transport controller enjoys tremendous powers. In addition, in case the power proved to be too much for him, provision was made for a deputy transport controller to exercise any or all of the powers conferred upon the controller by these regulations. The powers of the deputy were restricted only to the extent that if orders were made by the deputy they could, after review, be varied, rescinded or altered by the controller himself.

The transport controller has the power to order any person dealing with any bulk transport to transport goods in bulk, to fix minimum quotas, maximum ratios and so

[Mr. Diefenbaker.]

forth. So great are the powers conferred that, no matter what he does, as long as he acts within the powers conferred upon him there is no right of action. If any person fails to fulfil any contract or obligation because of the order of the controller, it is a good defence to an action against such a person to place before the court and prove the allegation that what was done was done pursuant to the order of the transport controller.

These are vast and uncontrolled powers, with the transport controller having the power to override a contract that has been made and, having made the order, to deny the right of any action in our courts to the person aggrieved in consequence of the breach of contract resulting from any order made by the controller. Heavy penalties are provided. There is a penalty of \$5,000, and so on.

The regulations were strong, some parts of them, I believe, inexcusably strong, but nonetheless the powers were vast. The controller had powers that almost anyone would like to exercise where, no matter what he did and what contracts he interfered with, he would be acting within the ambit of his authority. I ask the minister to explain this. To what extent was the transport controller responsible for the serious shortage of cars? Was the responsibility for the failure to fill the storage at the head of the lakes and at other points across Canada, when 100 million bushels of wheat could have been stored in those facilities if cars had been available, the responsibility of the Department of Trade and Commerce or was it, as the minister indicated earlier, the responsibility of the transport controller?

The transport controller himself has said that it was not because of his failure at all. I ask the minister to let the western farmers know when he replies why it was that western farmers from October until March were able to market only a trickle of what they had—not even a trickle; the word is altogether too comprehensive—when at the same time 100 million bushels of vacant storage space were available. To what extent did the transport controller use his powers? What orders were made by him during the period from October until the first of April? Were there any derelictions on the part of those directed by the controller to supply cars and make them available for the transport of wheat?

If there were such derelictions, did any prosecutions take place within the provisions of the regulations? As far as cost is concerned of the operation of the transport controller, if I read the reports correctly the cost amounts to some \$26,000 a year. What