

Freight Rates Reduction Act

It takes us right into the whole question of the responsibilities that railways should be asked to assume in relation to automation and its impact upon declining railway communities.

It takes us into the most difficult problem of wage policy, and there is not any more despicable situation than the kind of pressure that is developing, and has developed for the last decade, with regard to railway wage policy, where you have the management of the railways damning the unions and the unions damning the management, and all sides coming to Ottawa to pressure the government, with the result that we get these ad hoc, temporary measures to meet the situation. This is an example of it right here and no one gains from that kind of situation.

We just have the continuation of confusion, and I can illustrate that confusion very well in relation to my own community. We happen to be on the bridge between western and eastern Canada, and freight rates have always been a consuming interest to the business, industrial and union people in that area; because transportation was the basic reason for our existence, to start with, and is still a substantial part of our economy.

Quite frankly, the unions have committees and so has the chamber of commerce and the development association, all trying to understand the transportation policy and the freight rates policy of the government. We do not know whether we are coming or going. All I can say to the minister, much as I admire him personally, is that he has given us no lead to take us through this maze or labyrinth of confusion in the transport situation.

I remarked earlier, Mr. Chairman, that it sticks in the craw to challenge the government and then to vote for something it puts forward; but I can say we will be spending a considerable time when this bill reaches committee stage in order to find out more about the government's policy, not on this specific bill but in relation to the larger questions, some of which were raised by the hon. member for Laurier.

The last time this bill was before a committee and was considered in detail, Mr. Knowles was alive. He was the freight rates expert of the board of transport commissioners and we spent a long period questioning him. We had witnesses from the Canadian trucking association and many other interests. I would hope the board of transport commissioners would come up with someone as ready and willing to give evidence as Mr. Knowles was, and that we can question him in such detail.

I want to know if the minister plans to bring Mr. Scott of his own department before

us, as I understand he is a railway transportation expert. I would like to have him examined because he may know something about the government's railway policy. I would hope we would have a chance to examine Mr. Scott in regard to the bill, and the relationship of the bill to the larger question of whether it is a duplication of the subsidy of \$50 million that the government has awarded to the railways as a result of the recommendations of the MacPherson commission.

I would also like to see the question put to the newspaper editorial writers who are convinced that this parliament and previous parliaments have been incapable of acting. I would like those people to examine the question how they can really expect action from a government that has frittered and fooled with this particular topic since November 1958 right up to the present time, with a royal commission that sat for years and produced big fat volumes, with government promises of what it was going to do, and yet here at this late stage we are being asked to do something about a situation six or seven months after it occurred.

You can always have the excuse that the election intervened; but that is no real reason. The election was called in April and the bill seeks to bring up to date something that was going to die in April. It is a disgraceful example of putting in time, and of not coming forward with any constructive policy in the total transportation picture.

The hon. member for Laurier has raised the question as to whether the payments, which have apparently gone forward, are illegal or not. I do not know whether they are illegal or not, but it is quite apparent from the analysis that the minister gave us, back on May 30, 1961, that payments really have gone forward. I do not know whether they have gone on spec or not, but I would like to put this on the record in relation to them. This is what the minister said, as recorded at page 5628 of *Hansard* for that date:

—the shippers will not lose anything because both railway presidents wrote a letter a few days before April 30 stating that they did not intend to file tariffs to bring this increase to 17 per cent back into force. Thus, the shippers carried on business and continued shipping at rates which were the same as the rates which had been reduced to 8 per cent by the previous bill amending the Freight Rates Reduction Act. The reason why the railways will be in a position to recover the amount which might be lost to them on account of the delay in the passage of the bill is because after the end of each month there is a time lag of two or three months before the companies are able to process and submit their bills for that month's traffic. Consequently, bills for March and April, for instance, have not yet been received.