

or when he leaves Canada to go to a foreign country, he is under the jurisdiction, and the exclusive jurisdiction, of this Parliament.

Pursuant to this decision of the Privy Council, the federal Government had no administrative machinery ready in 1954 for carrying out the exercise of this jurisdiction. On the other hand, the provinces had been accustomed to this administration and Parliament passed the Motor Vehicle Transport Act, which enabled the Government of Canada to confer upon provincial agencies certain delegated authority in that field. In other words, we authorized these provincial agencies to act as federal agencies for purposes over which the jurisdiction of Parliament has been recognized by the courts, and on the whole, we can say that the arrangement has worked very well. Provincial governments were informed of our intention to introduce such provisions under Part III of the bill, and as far as motor vehicles are concerned it was pointed out that all we are seeking to do is to specify in the legislation a reserved right or power in case it becomes necessary to use it.

This explanation would not be complete if I did not add that when the bill was introduced in the other place, or just before, the Prime Minister wrote to the premiers of all provinces and made clear that the Government did not contemplate precipitate action in this particular field of road transportation; and the hope was expressed that a federal-provincial conference would take place not long after the passing of this legislation.

To summarize this aspect of the extra-provincial motor transportation, I think it can fairly be said that no immediate action is envisaged for the present time. The provisions of the bill are flexible enough to permit this. Honourable senators will note that the bill is divided into six parts, and after the adoption of the bill—if it is adopted—it is intended that these different parts will come into force by proclamation on different dates.

Honourable senators, there are 94 clauses in this bill which result in major amendments to several acts of Parliament and minor amendments to at least fourteen other acts of Parliament. Bill C-231, in fact, represents the charter of a national policy on all modes of transportation falling under the competence of Parliament.

We are always very proud indeed, and justly so, to praise the vastness of our country, extending from sea to sea. However, it is

precisely this particular geography of Canada which is the crux of our difficult problems of transport.

There was a time when the railway companies exercised a monopoly, or a quasi-monopoly, in the field of transport, but with the rapid industrial and technological growth of our country this no longer applies, except maybe in some distant regions. Today the railway freight car is not the only device providing facilities to heavy and long-haul transport. Airplanes, trucks, and ships are built in such a way as to cover any distance, and to transport everything under the sun. The time has come, therefore, to combine the various means of transport into a sole organization and under a single piece of legislation. The result of this will not only improve generally our transport system but will serve the public interest as well.

Honourable senators, when I mention "public interest" the phrase implies the concept of a measure of equity for all regions of Canada, and in a vast country like ours this is not an easy thing to implement. I know that previous attempts were made in the past towards this aim, namely, in 1925 and 1948, when the government of the day, by orders in council, asked the Board of Transport Commissioners to examine the freight rates structure in order to provide a better measure of equity for all regions of Canada.

Having assumed this responsibility, the Board of Transport Commissioners required a number of years to make its examination, and in 1955, I think it was, the board reported that equalization of rates in Canada involved the establishment of a fundamental base and a statistical survey which would take many years to complete.

In 1959 the government of the day seems to have been faced with a two-fold problem as far as transportation was concerned: a horizontal increase in freight rates on the part of the railways, and also the important and complex problem of abandonment of certain branch lines. The Government decided in 1959 to disallow in part the horizontal increase—I think it directed the Board of Transport Commissioners to reduce this increase from 17 per cent to 8 per cent. At the same time the Government decided to appoint a royal commission.

The MacPherson Commission was set up to consider, among other things, the inequities in the freight rate structure and also the obligations and limitations imposed upon railways