

Supply—Transport

cases many months, and the hearing of evidence taking up many thousands of pages. It would strike me that the men who sat on the board, who had an opportunity to hear the evidence and argument of counsel over a period of more than two years, were in a position to appraise the merits of the case as well as any other people in this country could. Furthermore, in the final analysis Canadian rates have been increased by 45 per cent compared with an increase in the United States of 60 per cent and in the United Kingdom of 80 per cent. Recently an increase of some 16 $\frac{2}{3}$ per cent has been granted in the United Kingdom, making their total increase since the end of the war 80 per cent compared with 45 per cent in Canada.

Again I should like to point out that the benefit of the increases in the United States and the United Kingdom was granted almost immediately, either by interim decision or by decisions which had the effect of putting the new rates into operation the moment the decision was handed down. In Canada the situation has been entirely different, in that in the 21 per cent case, for instance, almost two years elapsed between the time the application was made and the time the judgment was handed down. This completes a brief historical analysis of the various applications made together with some comments as I went along, which was all I intended to do this morning.

Mr. Diefenbaker: When did the last increase in the United Kingdom take place?

Mr. Chevrier: Within the last month or two—quite recently. All in all, having regard to the circumstances as found at the time, I believe the decision of the board is one in keeping with the financial requirements of the railways.

Mr. Drew: Mr. Chairman, discussion of this item presents the first opportunity that has been afforded to indicate the opinions that may be held by members of the house as to the sequence of events leading up to the most recent announcement by the board of transport commissioners. The Minister of Transport has reviewed the events of the past two years, when, for the first time since the war, the question of increases in freight rates has been dealt with in the way that he has outlined. In his concluding remarks he gave comparisons between increases in freight rates in the United Kingdom and in Canada, indicating that the over-all increase in Canada is not as great as in the United Kingdom or in the United States.

I submit that the problem is one which goes far beyond a mere question of comparison of

the percentage of increase in freight rates here and in any other country. The minister has outlined in clear and simple form the steps by which we have reached the position in which we find ourselves at the present time. He has pointed out that the necessity for listening to the mass of evidence in regard to this subject has precluded the possibility of consideration by the board of other related problems. He has referred to the fact that the board has available for this purpose a bureau of transportation economics, and that they have been continuing their studies.

Having said that, I submit that what the minister has given to us this morning is a review of confusion and incompetence which demonstrates that the main consideration before us at the moment is what is to be done with the board of transport commissioners, and the way in which we are going to deal with the whole question. In using the word "incompetence" I do so in the strict dictionary meaning of the word. I wish to make it quite clear that I concede the earnestness and the desire of those who have been charged with certain responsibilities to give effective service. When I say the board is incompetent, I say that whatever the reasons may be, it has demonstrated itself to be incompetent by its own actions during this extended period. Therefore I submit that the discussion of this item necessitates the review of one of the most important considerations this house could have before it. Everyone will agree that at the present time, in the wider field of government, our relation to the outside world and our concern for international security must be the number one consideration; but as far as our daily lives here at home are concerned the major consideration of every Canadian is the maintenance of that economy upon which the daily lives of our people depend.

In the Canadian economy there is no single thing of such vital concern as the provision of effective transportation for our people and for the things we produce. That is in fact what we are considering when we discuss this item. This is the first opportunity that has been afforded to examine this subject; and as the minister has very appropriately pointed out, this is the first opportunity he has had to review in this way the events which step by step, since these discussions were actively undertaken two years ago this spring, have led to the present position.

In reviewing what has taken place the minister has gone back to the judgment of the board of March 30, 1948, authorizing a 21 per cent horizontal increase in freight rates throughout Canada. He has pointed out that this horizontal increase was subject