

Mr. DRYSDALE: But in conformity with the Board of Transport Commissioners?

Mr. KNOWLES: Not exactly. They had quite a different scale at one time; but I think they have brought their rates pretty well in line with the Canadian National and the Canadian Pacific rates during the past few years.

Mr. BROWNE (*Vancouver-Kingsway*): I believe they do implement the Crowsnest pass rates, just the same as the other railroads.

Mr. KNOWLES: No, they do not.

Mr. BROWNE (*Vancouver-Kingsway*): My information is that they do.

Mr. KNOWLES: I do not think so. They do not joint in the Crowsnest pass rate.

Mr. BROWNE (*Vancouver-Kingsway*): My understanding from officials of that railroad is that they do.

Mr. KNOWLES: Unless that was recently, when they got it connected up at Dawson Creek.

Mr. BROWNE (*Vancouver-Kingsway*): My understanding of this bill is that it is to subsidize the shipper, and in this particular case it would depend on what railroad the shipper is using as to whether or not he is going to be covered by this subsidy.

Mr. KNOWLES: That is something I cannot answer. The board is given directives by the government. That is a matter of government policy, as I understand it. The Minister of Transport could perhaps answer a question of that kind, as to why it does not apply to the Pacific Great Eastern Railway.

Mr. BROWNE (*Vancouver-Kingsway*): Yes. And there is one other line in British Columbia in which I am interested. I was under the impression it was a leased line of the C.P.R. The line I am interested in is the Vancouver-Lulu island line.

Mr. KNOWLES: I understand they have leased that line, yes.

Mr. A. S. KIRK (*Director of Traffic, Board of Transport Commissioners*): That is now C.P.R.

Mr. BROWNE (*Vancouver-Kingsway*): They carry on their own operation; they do not operate from the headquarters of the C.P.R.?

Mr. KNOWLES: That is part of the C.P.R. They have increased their rates and they will get the reduction—although they are not shown here in the application.

Mr. DRYSDALE: You mentioned the route from Swastika to Rouyn, the Ontario Northland Railway. How did they come under this?

Mr. KNOWLES: As soon as any provincial railway crosses a provincial boundary, it automatically comes under the Railway Act. They have a separate corporation for the Nipissing Central Railway.

Mr. CHEVRIER: Is there nothing the P.G.E. can do to come within the purview of the Board of Transport Commissioners and therefore under the operation of this subsidy?

Mr. KNOWLES: No, they cannot put jurisdiction on us. All they can do is ask parliament to pass a bill saying their work is for the general advantage of Canada, and there are lot of considerations involved in that.

Mr. CHEVRIER: Then how does the Ontario Northland Railway come within the jurisdiction of the board, other than that part from Swastika to Rouyn?

Mr. KNOWLES: It is not under our jurisdiction.

Mr. CHEVRIER: I understood it was, for the fixation of rates.