

Mr. Magee and I have discussed this since he presented it, but I did want at least to put on the record some comments and some other approaches to this problem of transportation in Canada.

In effect the truckers' submission said that they are against subsidy in principle and, secondly that the matter of discrimination in the case of freight rates is more myth than fact.

As to Mr. Magee and the truckers being against subsidies, while I would not agree with them in this particular case, nevertheless I would uphold their right to come here and oppose subsidy. Had he gone that far I would not have objected; but on the second point he struck at a very serious problem of the western provinces; and when he comes through with the allegation that what has been going on for years, in the seemingly endless struggle on this matter of freight rate increases, is only emotional propaganda, we in Manitoba feel compelled to set the record straight.

As to this question of discrimination in freight rates, the Canadian Trucking Associations mentioned at page 8 in their brief:

Theoretically, a series of postwar decisions by the Board of Transport Commissioners has raised the maximum level of railway rates by 157 per cent. . .

They also state that, "such an increase in freight rates never took place"—that this was the permissive level but that the increases did not take place. Again on page 10 "the very fact is that we have had a total railway increase in Canada of 58.3 per cent":

It is clear that the effective, as opposed to theoretical, increases in the railway rates do not bear out the theory that the burden of railway rates has become unbearable. Because of the existence of highway competition, and because of federal government action, notably the immensely complicated task of equalizing the railway freight rates, the actual increase in railway rates is not out of line with other price increases in our economy—all freight rate emotion and propaganda to the contrary.

Then we had presented to us what has become somewhat trite to those of us who are interested in the freight rate problem—the hackneyed value of revenue ton miles.

Mr. Horner from Alberta, I think, pointed out to the committee, by his examination of Mr. Magee that it is at best a very invalid approach to this question of transportation costs because as the haul gets longer the revenue ton miles decrease and revenue per ton mile decreases. But this is not the principle as proposed by the maritimes and western Canada. We are concerned with the actual cost of moving goods into and out of our markets and I shall, instead of countering with other revenue ton-mile figures or any other percentage figures, give you the actual figures involving the movement of goods into the western Canadian market. I am sure that subsequently you may hear from Mr. Mann concerning the maritimes. These are the facts as to the cost picture to our citizens in western Canada.

In 1949 the cost of shipping machinery intra the eastern area, what we might term central Canada, was \$7.97 per ton over an average haul of 282 miles or, if you want to think of Mr. Magee's figure, 2.8 cents per ton mile. In 1957, after the increases from 1949 to 1957, in the central provinces to move that same machinery the cost had risen from \$7.97 to \$17.58 for a haul of approximately the same thing, 290 miles. The other was 280 miles. This had gone up to 5.91 cents per ton mile, and Mr. Magee's argument on the per ton mile looks pretty formidable.

Let us look into the western region from Port Arthur or Armstrong, where in 1949 it cost a citizen of Manitoba to bring in that same ton of machinery