

Mr. MONTAGUE: We are as appreciative as anybody of the fact that any analysis on the basis of a revenue per ton mile will have its limitations.

For one thing, we are not talking solely about the prairie provinces. I am from the prairies myself and I appreciate some of the problems. We wanted to show the general picture. There have been other briefs, and there are other people in Canada, for example in the maritimes, who have presented briefs and indicated that their rates are high.

The inter-maritime type of transportation is a short haul type of transportation. It would compare more or less favourably to a central Canada haul, which is also a short haul although probably a little longer than the inter-maritime, probably much longer.

The point is that we prove this from examining and comparing those places. We do not have the figures for these two areas, but they are certainly comparable. We say that the maritimes have a lower average revenue per ton mile than does central Canada. This would indicate on first examination at any rate that the maritimes are, in fact, not prejudiced against so far as their local traffic goes, vis-a-vis central Canada.

Now, coming to the western shipments, this covers a lot of territory. Western distances are flat distances, and if we dig into western shipments, and shipments only within the western area, we will find there is a rate of 1.05. This is largely a result of statutory rates.

We have provided a chart to show roughly what that would mean. If you took out those statutory rates, it would raise it, but it would not raise it to bring it equal to eastern Canada. In fact, it is below. There is a distance factor in there also.

We have brought to the attention of the board and this committee the fact that there is a very high rate coming out of central Canada into western Canada. All we are doing is to present it to you. These are facts on which you have to judge. But to challenge us and to say that these figures are unfair, it would be unfair if we tried to conceal something from your view.

In these two areas we have given you a fairly good idea of some of the arguments presented to us by some of the interested parties, and that they do not hold water when you look at the figures. When you talk about western Canada, the same thing applies.

Some of those figures may be a little misleading, but we have told you all. We have tried to show you the impact of these figures, and that inter-western shipments are well within that rate. I would advise you to look at the rate we show from western to central Canada. We show a rate of 1.4 cents revenue per ton mile.

This is the lowest long distance rate available. It is comparable to the maritime to central, which is much lower than the central to western. It is a very low rate, and it does not take in to some extent the influence of statutory rates.

The statutory rates stop at Port Arthur. That rate is not a rate which is completely influenced by the statutory rates. Therefore we do not think again that we have misled you in that; and certainly it is a fundamental thing, something you would not have known, that your rate from western to eastern Canada is fairly low. It is certainly lower than the rate out of eastern Canada. We have used this type of analysis because it was, in our opinion, the best one we could use. We have tried to indicate to you the limitation of that analysis, and we think in certain particular places it gives you the broad levelling effects.