

at this time be at least partially under control. I am not blaming anyone for the earlier rise: the war was over, things were booming, and prices were going up.

As I mentioned earlier this evening, I had it in mind to make a few remarks on this occasion about the Trans-Canada Highway, but the only reference I shall make to it at this time is to quote the following statement in the Speech from the Throne:

My ministers will recommend an increase in the total funds that may be expended under the Trans-Canada Highway Act.

I have here material for quite a speech which I intended to deliver, but I shall hold it for some future occasion, and merely say that Saskatchewan is the only province of the nine by whom the agreement was signed that has completed its Trans-Canada highway construction—406 miles from the border of Manitoba to the border of Alberta, and all completed in the fall of 1957.

Hon. Mr. Reid: That is an unfair comparison, though. You cannot go through the mountains as easily as you can move over the prairie.

Hon. Mr. Aseltine: I should like just to mention that the honourable senator from Blaine Lake (Hon. Mr. Horner) and I, with our families, went to Regina to celebrate the opening of the highway. We had a good time.

It is expected that the entire highway, except perhaps a portion in Newfoundland, will be finished in 1960.

A few minutes ago I suggested that I could regale you with a lot of information about the Crowsnest Pass rates, but I see that it is now nine o'clock and I do not wish to impose on honourable senators.

Hon. Mr. Macdonald: Go on; go on.

Hon. Mr. Euler: Let us hear about the Crowsnest.

Hon. Mr. Aseltine: That being the case, and as my voice is still holding up fairly well, I should like to deal with the rates briefly. Of recent months, both before and after the judgment delivered by the Board of Transport Commissioners on November 7, 1958, we have heard much in the press, both of the east and west, regarding the Crowsnest rates on grain and grain products.

As honourable senators know, the railway companies have been agitating for many years for the repeal of these rates. Commissioner H. B. Chase in his observations attached to the report of the board, makes special reference to them, terming them "the statutory rates". He does not actually recommend that they be done away with, but I gather from his remarks that he thinks they should

be either abolished or remodelled. As these rates are of vital importance to the prairie provinces, I think I should say something about them at this time. They came into existence some fifty years ago.

Hon. Mr. Euler: Sixty years ago.

Hon. Mr. Aseltine: Parliament of that day was of the opinion that something should be done to help the great grain-growing industry of the prairies, which was becoming of much importance to the Canadian economy. The Government decided it was necessary to make some arrangement with the railway company in respect of freight rates, not only for the bringing in of supplies from the east but for the taking out of the produce of the farms to the markets of the world. Eventually, in 1897, Parliament acted, and an agreement was entered into with the Canadian Pacific Railway Company. One of the terms was the fixing of freight rates on goods coming in from east of Fort William and Port Arthur, and on produce leaving western Canada for export. In 1897 the Canadian Pacific Railway Company was anxious to build a line from Lethbridge, Alberta, through the Crowsnest Pass as far as Nelson, in British Columbia. The company needed financial assistance. It was anxious to get in there ahead of United States lines which were threatening to enter the province, and thus to provide itself with a real link from the main line through the Kootenay area. The company therefore applied to the dominion Government for a subsidy of \$3,630,000, or \$11,000 per mile of railway. The province of British Columbia, which owned its natural resources, offered to make the company a grant of 250,000 acres of land. It is but fair to say that after the deal was consummated the railway company transferred 50,000 acres of coal-bearing lands to the Dominion of Canada.

In return for the subsidy the Canadian Pacific Railway entered into certain covenants with regard to freight rates, which later became generally known as the Crowsnest Pass rates. This was a double-barreled arrangement. The agreement first reduced the general rates and tolls on certain kinds of goods westbound from points east of Fort William and Port Arthur on the company's main lines and other lines. This is one part of the agreement which is very often overlooked. The railway company agreed to reduce the general rates and tolls on green fruits and vegetables by 33½ per cent, on coal oil by 20 per cent, and on the following goods by 10 per cent: binder twine, agricultural implements and parts, certain iron products, bars, bands, plates, nails, spikes, horseshoes, et cetera, wire of all kinds, window glass, building paper and