

Transportation

• (4:30 p.m.)

For example, on carload lots of 140,000 pounds, the maximum rate imposed on a captive shipper would consist of the variable costs of the shipment itself plus a surcharge of more than 600 per cent, and not the 150 per cent as in the case of the 30,000 pound carload lots. These are the mathematics of the formula, based on the differences in the basic costs to the railroads themselves when dealing with carload lots of certain sizes.

Mr. Pickersgill: I am sure the hon. gentleman would not wish to create a wrong impression. He suggested the rates would go up on these larger shipments. Of course, as I am sure he realizes, the actual rate would go down, but the mathematical proportion he has given, I think, is quite accurate.

Mr. Sherman: The return to the railways themselves.

Mr. Pickersgill: That is right.

Mr. Sherman: The profit figure for the railroads would increase by that much. Also in the west, we are distinctly concerned with the manner of appeal by a shipper against his rate, provided by this legislation, and the difficulty involved in proving public interest. In one particular clause in this bill, for which I am searching at the moment and which I have at my fingertips—

Mr. Pickersgill: Clause 16.

Mr. Sherman: No; clause 55 on page 52 of the bill, where it refers to amendments to the Railway Act. I read:

The said act is further amended by adding thereto immediately after section 338 thereof the following section:

"338A. (1) Any person, if he has reason to believe that a tariff of tolls for the carriage of passengers of a company, or the conditions attached to the carriage of passengers in such a tariff, are prejudicial to the public interest, may apply to the commission for leave to appeal such a tariff or conditions, and the commission, if it is satisfied that a prima facie case has been made, may grant leave to appeal and may make such investigation of such tariff or conditions as in its opinion may be warranted.

Now, we submit that it is demonstrably difficult, if not well nigh impossible, for a private company or private individual with private interests in the market to prove public interest. How does one go about proving public interest to the satisfaction of the commission? Does public interest, for example, mean that only the province of Alberta, the province of Saskatchewan, the province of

Manitoba, or a comparable body can make the appeal? A private company would have difficulty to prove public as opposed to private interest. It is difficult to find any legal concept of what would be public interest. There are cases which say that private interest definitely is not public interest.

Mr. Pickersgill: Would the hon. gentleman permit me to point out to him that the clause from which he was reading refers to the carriage of passengers. I think the clause he really wants is clause 16 of the bill where the language is slightly different. It is the clause which refers to carriage of freight.

Mr. Sherman: I appreciate the distinction which the minister has drawn, but in terms of the concern felt in the west in respect to various parts of this legislation, I do not see that it makes that much difference whether we are referring to clause 16 or clause 55.

Mr. Pickersgill: I hope the hon. gentleman does not mind my interruptions. I am not trying to be controversial. I think it does matter, because if you look at subclause (3) of clause 16 you will see that in this clause we have accepted almost exactly the language used in the Manitoba brief. This is not in the clause which deals with passengers, because it really is not relevant to passengers but is relevant simply to freight. I think, therefore, in order to deal with the point, the hon. gentleman would prefer to follow clause 16.

Mr. Sherman: Well, I looked at clause 16 at the same time I looked at clause 55. On the basis of our studies in Manitoba with relation to this proposed legislation, we still do not feel satisfied on this particular point.

I am prepared, however, to discuss this subject independently with the minister at a different time. I can assure you that in the opinion of the western shippers, and in the opinion of the counsel for the three prairie provinces to which I have referred, we still are not satisfied that the clause to which the minister refers removes the danger and the threat to certain aspects of the economic position in western Canada which we feel are affected unfavourably by this proposed legislation.

I should like to say also that I share the concern expressed by the hon. member for Acadia yesterday on the question of branch line abandonments. This is a point which I should like to discuss at a further stage in the deliberations. I am not going to elaborate on that subject at the moment. I believe the case was put eloquently yesterday by the hon.