

Supply—Transport

quantity was \$3.23 per hundredweight at that time. The one and one-third rule was instituted as a result of the amendment to the Railway Act last fall. Under that rule the new rate would be \$2.09 per hundred pounds on the same canned goods to Calgary or Edmonton. But the Canadian Pacific Railway rushed in and filed a new schedule which hiked the transcontinental rate to \$1.89 from \$1.57. Therefore under the one and one-third rule the rate to intermediate points, particularly Calgary and Edmonton, would be \$2.53 per hundred pounds. That is an increase of 44 cents per hundred pounds on canned goods.

That is just a sample. The same sort of thing applies to other commodities transported to the intermediate points from eastern Canada. I said I was puzzled about the haste with which the Canadian Pacific rushed into this thing and filed their new schedule. I am quite certain from all the facts I can gather that in the intervening months since the house passed the amendments to the Railway Act under Bill No. 12 there had been no change whatever in the competitive situation. I doubt very much if the experts of the Canadian Pacific Railway can show that there was a change in the competitive situation.

I am not going to argue that they could not make some sort of case for a potential change projected some time into the future, but we do not make freight rates—or should not—on the basis of a potential that reaches years into the future. Freight rates have been and should be based on the facts of the situation as they obtain at the moment. Any change that takes place ought to be as a consequence of a change in the competitive situation, and I am speaking now particularly about competitive rates. As I say, I am very puzzled and not a little disappointed at the attitude of the Canadian Pacific Railway, but when I say that I must also say that I am very much puzzled and very much disappointed by the attitude of Canadian National Railways, our own national railway. All through the hearings of the committee last autumn Canadian National Railways remained silent and allowed the Canadian Pacific Railway to speak for the railways. But the Canadian National did take the position that there would be no need to increase the transcontinental rate immediately or in the foreseeable future. They thought we could get by quite nicely, and the record will show that to be so.

What the Canadian Pacific might do, of course, would cause me no surprise at all after listening to the attempts of their representatives to beat down our efforts to

[Mr. Low.]

put through the amendments to Bill No. 12; but I contend that railway alone could not have devised a new schedule, filed it with the board and had it accepted. They would require the wholehearted support of the Canadian National, and evidently that is what they got. That is the reason I am so bitterly disappointed at this moment. Certainly the Canadian National must have changed its position materially within a period of three or four months, during which time they cannot show any change whatever in the competitive situation. What changed their minds? Did they go to the minister and ask his advice? If they did, what was his advice?

Mr. Chevrier: They certainly did not.

Mr. Low: Well, after the valiant efforts made by the minister in putting through that bill, valiance which we commend most highly, and after the silence they maintained throughout the hearings, it seems to me very peculiar that they would not go to the minister and ask his advice on a matter so important, which has the effect of completely contravening the intention of the bill put through by the minister, which is the law. If they did not consult with the minister somebody ought to be reprimanded. Remember, this is a government railway. Remember that this new schedule of transcontinental rates never could have been approved by the board without the complete support and approval of the Canadian National, the railway that said there was no necessity whatever for an increase in the competitive rates in the foreseeable future.

That is a serious situation. If we are going to allow these companies to thwart the efforts of the representatives of the people and in effect therefore to dictate to the parliament of Canada, we have come to a very pretty pass in our history. I say I am bitterly disappointed in what has happened. Surely one could reasonably expect the two companies to wait at least until they had gathered sufficient experience to justify a request for an increase in the transcontinental rate schedule. They did not do that. It would be very interesting and enlightening to a good many of us to know why. The people of my province had been led to expect that they would find substantial relief under the one and one-third rule from the discriminatory rates they had been paying for so many years. So had the people of western Saskatchewan, who have also suffered.

Mr. Green: Your rate was reduced, was it not, even with the transcontinental increases?

Mr. Low: Yes, it was; but to a substantial degree the relief was snatched away by the