

Transportation

result, the bill still contains a kind of maximum rate control provision which is meaningless and a denial of common sense. This provision allows the railways a huge mark-up to the extent of 300 per cent or 400 per cent on the haulage of bulk goods, something which has been pointed out not only by hon. members but by hired transportation experts. I, and many other hon. members, simply cannot support such a provision.

The difficulty we have in this regard is compounded by the fact that we were denied access to information which, in our opinion, could have helped us to make an evaluation in depth. As a result our evaluation has really been superficial. We did not have all the necessary statistical material.

Whether it is intended or not, one of the most damning aspects of this legislation will be its effect on the economy of natural resources generating regions which are areas that produce primary products. Western Canada, northwestern Ontario and the maritimes, all areas which produce natural resources in the raw state, commodities and goods which, to use the jargon of the industry, are heavy loading, will be penalized or adversely affected by this legislation. Of course the legislation will take effect on a transitional basis, but once it is fully in force it will have a deleterious effect on the economies of the regions I have mentioned.

With respect to the debate which lasted for a few days on what the minister intended by the proposed new section 329, I wish to say that I voted for the amendment to delete that new section because I felt its net effect over a period of years would be a subversion of the Crownstest pass rates. But I do not want to associate myself with anyone who may have ventured the opinion that the minister, by design, was attempting to subvert those rates. All his assurances were certainly to the contrary, and as originally worded the provision could not possibly be interpreted to have that design.

However, an incidental effect of it might have been that over a period of years, if a study showed that these rates caused a loss to the railways which had to be made up by public subsidy, there would have been growing public pressure on the government to do away with them. There was some logic in the arguments on both sides of the question, but in fairness I should say I could not find any specific intention on the part of the minister to tamper with the rates to the end of eliminating them.

[Mr. Schreyer.]

In conclusion, Mr. Speaker, a lot will depend on the calibre of the persons appointed to the new Transport Commission. We take it for granted that they will be selected on the basis of competence and experience in the transportation field, but much will depend upon them because of the considerable amount of discretionary power granted to them by this bill.

● (3:50 p.m.)

With regard to the clause of the bill which deals with branch line abandonments and railway rationalization I feel rather strongly that the commission is in a position to save and protect the economic and social interests of the residents of western Canada if the commission chooses—and I assume it would—to exercise the authority it has with full regard for the social and economic aspects of a community when a main artery of transportation is abandoned. I persuaded the minister, his colleagues, and other members of the house, to accept an amendment which will give the commission specific terms of reference so that when applications for abandonment are being considered it also will have authority to make recommendations to local governments, provincial governments and the governor in council if there should be increased costs in respect of road building. In this case the commission would have authority to recommend to the federal authority or any authority concerning the way in which this extra cost can best be shared when provision is being made for new and alternative transportation services by way of highways, and so on.

By this amendment the commission also has authority to take into consideration the extra cost of production to farmers, and the losses in respect of investment. It has authority to make appropriate recommendations to the governor in council or any appropriate authority concerning how best to deal with these problems of increased cost of production, and other problems. So in my opinion, in many clauses in this bill the commission is given the necessary authority and scope. I hope, as I believe all hon. members do, that over the years it will exercise this authority in prudence and with the best judgment.

Mr. Raymond Rock (Jacques Cartier-Lasalle): Mr. Speaker, in speaking on third reading of Bill C-231, particularly in respect of clause 78 concerning the grade crossing fund, I should like to say that on December 20 and January 9 I asked the minister certain