

ways on cargoes moving between central Canada and the maritimes. I found that quite a remarkable statement. Do you agree that this is the situation, and if not, do you feel there is any increase in the truck competition? Have you done anything in respect of projecting what it will be in the future?

Mr. DICKSON: I would think that certainly the Maritime Transportation Commission and the governments of the provinces would be most anxious to encourage that truck competition. In the supplemental submission we have attempted to say that exhibit I filed by the Department of Transport personnel indicates a growth in traffic moving within the maritimes and from the maritimes at competitive rates, and agreed charge rates, as it does too for traffic moving in other parts of Canada. We cannot give you a detailed statement on this, but we can find indications that while competition may be growing, its effectiveness or its depth, as we put it, is not as great in the maritimes as elsewhere.

Let us take a look at appendix 5 for a minute. In explaining appendix 5 I mention that the rate from Berwick, Nova Scotia, was an agreed charge, presumably made to meet competition of other carriers. That rate has been reduced from the peak in December, 1958, to a level somewhat lower; but that reduction is nowhere near as great, nor as deep, as the reduction that the Thornbury shipper received when his rate fell, first of all in August, 1953, from a level almost near ours down to considerably below and now lower than it was in 1937. Even with the increasing competition, there is the matter of the extra miles which have to be covered to move Atlantic province shipments—and if you are talking about manufacturing in Newfoundland, we have a lot more extra miles. The movement of Atlantic province shipments to the major markets just means that competition, as keen as it may be today—and even becoming a little keener in the future—is not, by itself, going to restore the relationship that we did have.

Your question really is in two parts; what have we done in the past and what is projected for the future? We would hope that increased competition would come along, and we would like to encourage it to the extent that it will restore and maintain the relationships. But, can it do it by itself? There is very grave doubt in our minds that it can.

Mr. REGAN: Still dealing with the question of developing trucking competition, I would like to refer to the corridor highway across Maine which was brought up by Dr. Stewart. Does the Maritimes Transportation Commission have any view in respect of whether the building of such a highway alone would make sufficient competition to create a competitive situation for long range trucking, to the extent that the cost of such a highway would be justified? Has the board given this matter sufficient thought to enable it to indicate whether a two lane highway can be efficient for long range trucking competition because of the fact that a two lane highway tends to restrict the speed of trucks when they catch up with slower moving traffic as the trucks do; do you feel the expenditure for a four lane highway would be worth while; do you feel that a corridor highway alone, if other highways in the maritimes were not reconstructed, would be of general use?

Mr. DICKSON: We have not gone into a study of the type you have in mind, but I would like to say, since I may not have made it too clear, that by itself the corridor road would not help some of the more extreme areas of the Maritimes. You have the problem of roads within the maritimes. Let us take a look at the southwestern part of Nova Scotia. Truck traffic originating in the Yarmouth, Shelburne, Annapolis valley area must come up around by Truro and Moncton in order to get around the Bay of Fundy which makes a great indentation in our coastline there. So, while the corridor road will shorten the distance from such points as Saint John and Fredericton it will not have the same effect