

Supply—Transport

if we permit the railroad companies to cut rates so low that the trucking industry will be put out of business entirely, then we create a condition which requires the attention of every member of this house. It is something so important nationally that I hope the minister will give it due consideration.

Mr. Low: Mr. Chairman, first I should like to compliment the minister upon the splendid way in which he has introduced his estimates this afternoon. I feel quite sure that as a consequence the study of the transport items will be much more orderly and successful. I do not intend to take very long this afternoon but there is one thing I should like to discuss and I hope the minister will be able to afford some comfort when he speaks in reply.

Before I introduce this subject I should like to say to the minister that I noted how manfully he struggled against very strong forces in this house and the country last fall when his Bill No. 12 was being considered. I thought he stood up admirably to all those forces and I want to compliment him on the way that he conducted his affairs in connection with the passage of that bill. I know what he was up against. I know what he was trying to do, and I think he achieved a great thing by the passage of the amendments to the Railway Act introducing the principle of equalization of freight rates and the one and one-third rule. However, I am quite sure the minister must feel, as I do at the moment, somewhat disappointed at what has happened since that time.

If I am well informed—and if I am not I am sure the minister will set me right—the railways hastened to file with the board of transport commissioners a new schedule of transcontinental rates, particularly one that applies to the transport of certain commodities from eastern territory to the Pacific coast. My information is that the board approved the new schedule. I presume that the railways in filing the schedule presented arguments which must have swayed the board to induce its members to give their approval.

Mr. Green: Is it not a fact the board cannot do anything about that?

Mr. Low: I am given to understand that they did, and that is the thing that rather puzzled me. There is a new schedule of rates which I shall deal with in a moment, and to quite an extent it nullifies the effect of the legislation passed by the house last December. Not very much time has elapsed and there must be some reasons for the haste other than those that I can see. For

a good many months prior to this spring the railways had been able to maintain the old schedule of transcontinental competitive rates. As far as we can gather, no thought had been given to increasing those rates until the one and one-third rule was under consideration by parliament last fall.

Veiled threats were made in the committee by the representative of the Canadian Pacific Railway Company. Those who were members of the committee will remember all too well that veiled threats were made that the railways would file a new schedule of transcontinental rates with the board, and that those rates would be increased as a means of sort of beating out—I am not putting it in blunt words—the minister's valiant efforts to bring a measure of relief to certain areas of Canada that for a long time had been the victims of rank discrimination. The Canadian Pacific Railway evidently did not waste any time. As a matter of fact they did not wait until they had built up enough experience under the one and one-third rule so that they could really make a case. Evidently they based their arguments before the board in support of the new schedule entirely on what they put forward as a potential need and not a real need to balance their revenues with expenditures.

The question that has bothered my mind is why the railways could not have restrained their impatience at least until sufficient experience had been recorded to indicate definitely whether in fact an increase in the transcontinental rates was necessary to keep their revenues in balance with their costs. By their impatience, and through what I think is the weakness of the board, much of the relief that was won for the prairie provinces under the one and one-third rule has been snatched away from them. I am going to give an example to show what I mean by much of the relief being snatched away from them.

A good deal has been said in the discussion of freight rates over the past several years about many items, but perhaps the most representative of those involved in the discussions would be the rate on canned goods from eastern Canada to intermediate points in western Saskatchewan and Alberta. I am going to give the old competitive rate as it was prior to the time the one and one-third rule was initiated. The rate was \$1.57 per hundredweight from Ontario points to Vancouver.

Mr. Green: On what quantity?

Mr. Low: On a carload lot, basis 80,000 pounds to the carload. The Alberta rate to either Calgary or Edmonton for the same