

the problems of transportation and related communications is indicated by the organization of the Dominion Department of Transport. This Department was organized on Nov. 2, 1936, under authority of c. 34, 1936, unifying, in one Department, the control and supervision of railways, canals, harbours, marine and shipping, civil aviation and radio. The Meteorological Service is also under the Department of Transport.

Private enterprises engaged in the transportation and communications business in Canada, have, during the past 50 years, shown the same tendency toward consolidation and amalgamation that has been evident elsewhere throughout the civilized world. The basic reason for such consolidation and amalgamation has been the fact that the business of transportation and communications is, generally speaking, a 'natural monopoly', i.e., a type of enterprise in which service can be more efficiently and economically rendered to the public where one or a few concerns control a particular type of service throughout the country. The outstanding example of these consolidations in Canada in recent years is the concentration of control of the railways of the country in the hands of the Canadian Pacific Railway Company and the Canadian National Railways.

However, since such control brings with it elements of monopoly and possible overcharge, it has been deemed advisable in Canada, as in other countries, to set up authorities controlling the rates to be charged and the other conditions on which services to the public are to be rendered by common carriers. This control so far as the railways within the jurisdiction of the Dominion Government were concerned, eventually, was placed in the hands of the Board of Railway Commissioners, now the Board of Transport Commissioners. From time to time the regulatory authority of the Commission was extended to a limited extent to other utilities. A brief summary of the history and functions of this body follows.

Besides the Board of Transport Commissioners, dealing with the larger public utilities coming under the jurisdiction of the Dominion Government, there exist, in several of the provinces, bodies that undertake among their duties the supervision and control of local public utilities operating under the jurisdiction of the provinces, and the regulation of their rates for service. Among these are the Ontario Department of Municipal Affairs (formerly the Railway and Municipal Board of Ontario, established in 1906), the Quebec Commission of Public Utilities established in 1909, the Nova Scotia Board of Commissioners of Public Utilities and the Public Utilities Commission of Manitoba. In the three most westerly provinces these same duties are performed by provincial Departments of Railways.

### **The Board of Transport Commissioners for Canada\***

Introductory paragraphs explaining the situation that led to the introduction of railway regulation by commission in Canada appear at pp. 633-634 of the 1940 Year Book.

The Board, formerly known as the Board of Railway Commissioners of Canada, was organized on Feb. 1, 1904, in accordance with the provisions of the Railway Act of 1903 (3 Edw. VII, c. 58). In the beginning, its membership consisted of a Chief Commissioner, a Deputy Chief and one Commissioner. In 1908 the membership was increased by the inclusion of an Assistant Chief Commissioner and two other Commissioners. According to the Act, the Board might be divided into two sections of three members but, since any two constituted a quorum, two Commissioners usually heard all but the more important cases and, agreeing, gave the decision of

\* Revised by P. F. Baillargeon, Secretary, Board of Transport Commissioners for Canada, Ottawa.