

Pursuant to the amendments, a uniform scale of mileage class rates has been prescribed by the Board and equalization of commodity rates is being proceeded with. The Board has also prescribed a uniform classification and system of accounts for railways and has approved a new freight classification.

Under the Transport Act the Board entertains applications for licences for ships to transport goods or passengers for hire or reward between places in Canada on the Great Lakes and the Mackenzie and Yukon Rivers, except goods in bulk on waters other than the Mackenzie River. Before granting a licence the Board must be satisfied that public convenience and necessity require such transport. The Board also has regulative powers over tolls for such transport.

'Agreed charges' between shippers and carriers, authorized by the Transport Act, were also reviewed by the Hon. W. F. A. Turgeon in 1955 and his recommendations were implemented in amendments to that Act in 1955. Under the amendments, an agreement for an agreed charge shall be executed in tariff form and a duplicate original shall be filed with the Board within seven days after the making of the agreement, and the agreed charge takes effect twenty days after the filing, without necessity of the Board's approval of the charge. The Board continues to have power to fix a charge for a shipper who is unjustly discriminated against by an agreed charge and it also has power to vary or cancel an agreed charge referred to it by the Minister of Transport or the Governor in Council for investigation.

During the year 1960, a total of 2,795 applications were submitted to the Board under the provisions of the Railway Act, the Transport Act, the Maritimes Freight Rates Act, and other legislation under the Board's jurisdiction; 3,315 Orders and 10 General Orders were issued.

The Board, shortly after the interim freight rate increase of 17 p.c. was authorized in November 1958, required the railways to specify, before Apr. 10, 1959, the amount of supplementary relief sought. But before that date, the Government announced that no further general increases would be allowed for a period of one year pending the findings of a Royal Commission to be established to inquire into the railway rate structure and other matters affecting railway transportation. The Royal Commission was appointed May 13, 1959 with the Hon. C. P. McTague named as chairman (later succeeded by Murdoch Alexander MacPherson), and conducted hearings across Canada, receiving submissions from the railways and all interested parties. Volume I of its report was submitted in March 1961; two more volumes will follow.

On July 8, 1959, Parliament passed the Freight Rates Reduction Act. Designed as a relief measure for railway shippers, the Act provided a fund of \$20,000,000 to permit a reduction in class rates and commodity rates (other than competitive rates) for a period of one year. In compliance with the Act, the Board of Transport Commissioners ordered the substitution of an increase of 10 p.c. for the said permissive increase of 17 p.c. effective Aug. 1, 1959. A further reduction to 8 p.c. was ordered by the Board as of May 1960. Under an amendment to the Freight Rates Reduction Act dated July 28, 1960, the reduced rates remained in effect until Apr. 30, 1961, and the aggregate of all payments under the Act was increased to not exceed \$35,000,000. At the end of April 1961, the railways filed tariffs voluntarily extending the reduction. A Bill was later introduced to extend the Freight Rates Reduction Act to Apr. 30, 1962.

The Air Transport Board.—The Air Transport Board was established in September 1944 by amendment to the Aeronautics Act. Subsequent amendments to the Act were made in 1945, 1950 and 1952. The Board has three members including the Chairman, and the staff is comprised of a Senior Adviser; a legal Branch; an Operations Branch which includes the Traffic Division, Operations Analyst, Special Traffic Adviser, International Relations Division, and the Licensing and Inspection Division; an Economic and Accounting Branch which includes the Economics Division, Audit Division and Financial Analyst;