

PROVINCE OF BRITISH COLUMBIA

SECOND ANNUAL REPORT

OF THE

PUBLIC UTILITIES COMMISSION

PURSUANT TO SECTION 36 OF THE

MOTOR CARRIER ACT

FOR THE

LICENCE-YEAR 1941-42



VICTORIA, B.C.:

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1942.

PROVINCE OF BRITISH COLUMBIA

SECOND ANNUAL REPORT

OF THE

FRANCIS J. LITTLE COMMISSION

IN CONNECTION WITH THE

WATER FURNISHING ACT

1907-1908

VICTORIA, B.C., June 30th, 1942.

*To His Honour the Lieutenant-Governor in Council
of the Province of British Columbia.*

MAY IT PLEASE YOUR HONOUR:

SIR,—We have the honour to transmit herewith, in accordance with section 36 of the "Motor Carrier Act," the Second Annual Report of the Public Utilities Commission under that Act for the year ended February 28th, 1942.

PUBLIC UTILITIES COMMISSION.

W. A. CARROTHERS,
Chairman.

L. W. PATMORE,
Commissioner.

J. C. MACDONALD,
Commissioner.

THE UNIVERSITY OF CHICAGO

ANNUAL REPORT OF THE PUBLIC UTILITIES COMMISSION,
PURSUANT TO SECTION 36 OF THE "MOTOR CARRIER
ACT," FOR THE LICENCE-YEAR ENDED
FEBRUARY 28th, 1942.

GENERAL.

This report covers administration of the "Motor Carrier Act" of British Columbia for the licence-year which commenced March 1st, 1941, and ended February 28th, 1942, being the second year during which the "Motor Carrier Act" has been in effect.

As will be seen from the statement of licences issued and revenue received, notwithstanding any expectations to the contrary, there was a further increase in the number of licences issued and renewed and a corresponding increase in the total revenue derived and, in general, the Superintendent of Motor Carriers reports an exceedingly busy year, reflecting a general increase in the transportation business of this Province which, in turn, is an index of increased activity in many branches of industry, both primary and secondary.

INFLUENCE OF WAR ON MOTOR-VEHICLE TRANSPORTATION.

It was not until towards the end of the licence-year, however, that the change that is now taking place in the use of motor-vehicle transportation as a result of the present world-wide struggle began to assert itself. Until the month of July, 1941, there were no restrictions on gasoline, tires, motor-vehicles, and parts. In July, 1941, the Federal Government instituted a voluntary system of gasoline rationing, but this did not affect commercial vehicles. The entry of Japan into the war, however, changed the entire situation in a very short period of time. The supply of raw materials, motor-vehicles, and parts for civilian use became restricted. The shortage of rubber became serious, supplies being almost entirely cut off, and, owing to the shortage of shipping, the Federal Government has found it necessary to ration the use of gasoline.

The Dominion Government has appointed various controllers and administrators for the purpose of conserving the supply of tires, gasoline, motor-vehicles, and parts for necessary services only; of eliminating certain services which may be considered as unnecessary (even though convenient) and, in other cases, of reducing services by the pooling by carriers of their available facilities, reducing the number of scheduled trips made, eliminating long runs which parallel a railway, and by other methods.

In connection with the foregoing, the machinery which has been set up for the licensing of carriers in this Province has already proved, and will continue to prove, of value in the present crisis. In the records of the Motor Carrier Branch there are details of more than 13,000 trucks, buses, and taxis; including the names of the owners, their addresses, the carrying capacities of the vehicles, and details as to the routes or areas which these operators serve and the class of transportation which they carry out. The only vehicles of which no record is available are vehicles operated entirely within a single municipality, such as in the City of Vancouver, and vehicles in certain isolated parts of the Province which are exempt from the provisions of the "Motor Carrier Act." In so far as municipalities are concerned, the details can be obtained from the municipal authorities.

Experience has shown that the administration of the "Motor Carrier Act" is more important than ever during the present crisis. In addition to carrying out its regular activities, the Commission is in a position to supply fullest information to the Federal authorities regarding the manner in which the various vehicles are operated.

As a result of the shortages of tires and equipment or of the anticipated restrictions referred to in the preceding paragraphs, some of the long-distance freight haulers have applied either to reduce the number of their scheduled trips or to withdraw their

service entirely. A number of Japanese have either not applied to renew their licences for the year 1942-43 or have surrendered them. Further reductions, particularly in the long-distance passenger and freight services, are anticipated, together with pooling of services for the sake of economy. Notwithstanding the foregoing, it may be mentioned that during the first part of the licence-year 1942-43 a larger number of applications than was expected have been received. In this connection, during the month of March, 1942, the Commission issued instructions to the Superintendent of Motor Carriers to the effect that all applications for new licences or additional privileges for existing licences respecting public or limited vehicles are to be very carefully scrutinized and investigated with a view particularly to: (a) Avoid issuing a licence for other than a service of proven necessity, and (b) avoid issuing to any person a licence to carry out an operation which previously had been carried out by another licensee who has relinquished the service in the interest of conservation.

This policy is now in effect and the Commission is co-operating with the various officials appointed by the Dominion Government for the purpose of co-ordinating transportation, reducing duplicate services, and restricting what may now be considered under present circumstances as unnecessary services.

CONSERVATION OF GASOLINE.

In order to clear up any doubt that may have existed as to the effect of section 62 of the "Motor Carrier Act" with respect to exchange of transportation for the purpose of conserving gasoline, the Commission, under date of 18th day of August, 1941, made an order permitting arrangements between operators of private automobiles whereby one vehicle-owner may provide transportation for other vehicle-owners in return for transportation furnished to him by such other owners at another time, and permitting such advertising as may be necessary in this connection.

REVISION OF LICENCES.

The revision or reclassification of all existing carriers' licences previously issued under the "Highway Act" has now been completed and, in some cases, further revisions have been made for the purpose of: (a) Restricting licensees to the actual operations which they carry out, with the elimination of privileges which are not being exercised, and (b) the bringing of licences up-to-date to provide for extensions of service or for new business developed, and like matters.

Special investigations were made with respect to operations of Class III. public freight carriers (non-scheduled) in the Alberni-Port Alberni, Creston, Prince George, Vanderhoof, Quesnel, and the Grand Forks-Greenwood areas respectively, and the majority of Class III. public freight-vehicle licences in these areas were revised, where necessary, on a uniform basis, with such modifications in individual cases as were necessary in order to provide for certain special operations. In a number of cases the transportation of general freight to and from points beyond a certain specified destination from the licensee's place of business was restricted to charter shipments—i.e., to hauling for one person or company exclusively at any one time. The putting into effect of these revisions has cleared the way for the filing in each area of uniform rates by this class of carriers covering their operations.

The policy of revising licences of the larger firms who operate several vehicles, with a view to making all vehicles interchangeable for the various operations which they perform, in so far as practical, was continued; it being recognized that it is impractical for a firm having a large fleet of vehicles to restrict the use of one vehicle to one class of transportation or to operating over one route only.

In a few cases it was found necessary to permit the carrying of passengers on the front seat of freight-vehicles for compensation in isolated districts where no other form of transportation is available.

In a number of cases licences were altered, revised, or reclassified by the Commission under the provisions of section 11 (2) (b) of the "Motor Carrier Act," where the licensees had failed to exercise any of the rights and privileges granted in the licence

or licences held by them, or had failed to provide adequate and sufficient service. The following is a list of licences revised or reclassified under this heading:—

- City Transfer & Warehouse Co., Cranbrook; Class III. public freight.
- William Simmons, Elko; Class III. public freight.
- Dave Anderson, of Erie; public freight reclassified as limited freight.
- William Inglis, of New Westminster; item covering transportation of industrial workers deleted.
- Louis F. Kish, Abbotsford; Class III. public freight; permission to transport freight for B.C. Fuggel Hop Gardens deleted.
- Cowichan Valley Bus & Taxi Service, Duncan; limited passenger; permission to transport industrial workers between Duncan and Mayo deleted.
- Various Class III. public freight-vehicle licences at Creston, Wynndel, and Erickson; these licences revised by the Commission on a uniform basis.
- Stanley McNeil, of Cranbrook; limited passenger; deletion of privilege of transporting industrial workers between Cranbrook and Lumberton and between Cranbrook and Kimberley.

REGULATIONS PURSUANT TO "MOTOR CARRIER ACT."

Several amendments were made during the year to the regulations as appeared necessary, having regard to changed conditions and as further experience in the administration of the Act and regulations was gained. A list of these amendments is given in Appendix A, and may be summarized as follows:—

Provision was made to permit of "express" being transported on a vehicle other than a public passenger-vehicle where so ordered by the Commission, specifically, in writing.

Provision was made for refunding to a licensee the difference in fees paid for a licence of a higher class in cases where the licence is cancelled by the Commission and a licence of a different kind issued in place thereof.

Provision was made, in cases where a tariff is prescribed by the Commission, for the furnishing to any motor carrier to whom the tariff applies one copy of the tariff free of charge for each licensed vehicle affected, and fees were prescribed for the supplying of copies of such tariffs to other persons or for additional copies.

That portion of unorganized territory lying between Saanich and Esquimalt Municipalities bounded on the west by the west boundary of Admirals Road was included as an area within which vehicles operated as public passenger-vehicles shall be subject to a reduced licence fee (*see* Regulation No. 3.72 (a)). This area may be considered as part of Greater Victoria.

Amendments were made to the regulations to provide for the carrying of one carrier's licence-plate only (on the back of the vehicle) instead of two plates; this becoming effective for the licence-year 1941-42.

A regulation was made requiring any person operating a vehicle as a public or limited vehicle, which is marked with the name of another person or company, to display also prominently on the vehicle the name generally used by the carrier operating the vehicle. The purpose of this was to identify vehicles which may be temporarily leased or otherwise acquired by one transportation company from another transportation company. Provision was made whereby a carrier's licence shall be automatically suspended in cases where the motor-vehicle licence respecting the vehicle is relinquished, surrendered, suspended, or cancelled under certain provisions of the "Motor-vehicle Act"; thus giving the Provincial Police the necessary authority to seize the carrier's licence-plate along with the motor-vehicle licence-plate.

Regulation 6.12 was amended to provide that the limitations as to territory or route set out in the conditions of licence of a public freight-vehicle or limited freight-vehicle shall not apply to the operation of the vehicle as a private freight-vehicle, unless so stated in express terms.

The regulations regarding permits were amended to provide for waiving of permit fees in certain cases such as where the transportation is to be undertaken for charitable, patriotic, or similar purposes, or where the class of transportation is such that no

licence fee is required, or where the permit is issued pending investigation of application for licence or alteration of licence.

Other minor amendments to the regulations were made.

SUPPLY OF ACT AND REGULATIONS.

During the year the practice of mailing a copy of the "Motor Carrier Act" and regulations to all new licensees was discontinued, and copies are now mailed only to persons who receive for the first time a public or limited licence, and to any new holder of a private freight-vehicle licence who applies.

LICENCES ISSUED.

A statement of licences issued during the licence-year 1941-42 is set out in Appendix B. This statement is arranged in a manner similar to the statement for the previous licence-year, with the exception that, under the heading "Number of Licences issued," transfers of licences and changes in classification of licences have not been included. These latter have been shown under separate columns, after the total, as these two items do not represent additional licences issued.

The total number of licences renewed (9,352) and new licences issued (3,804) during the licence-year 1941-42 is 13,156 as compared with 11,903 for the licence-year 1940-41 (renewed 8,198, new 3,705). This represents an increase of 10½ per cent. in the total number of licences issued and renewed, and a net increase of 1,253 licences issued and renewed, not including replacements, substitute plates, changes in classification of licences, and transfers of licences.

Replacements (that is to say, new vehicles or different vehicles replacing licensed vehicles) numbered 1,224 as compared with 959 for the previous year. A total of 127 licences were transferred as compared with 70 licences transferred during the year 1940-41.

Taking all classes of licences issued, the increase for 1941-42 over the previous year is 12 per cent.

The following is an analysis of the various classes of licences issued (new licences and renewals) for the licence-years 1940-41 and 1941-42 respectively:—

Total New Licences issued and Licences renewed.

Kind of Licence.	1940-41.	1941-42.
Passenger (buses)	336	344
Passenger (taxis)	403	508
Public freight	1,606	1,678
Limited freight	620	717
Private freight (ordinary)	5,085	5,657
Private freight (farmers)	3,853	4,252

The figure for the total number of licences issued and renewed during 1941-42 includes 53 licences issued free of charge under paragraph 1.2 of the regulations to carriers of industrial workers, mail-carriers, the Greater Vancouver Water District, the Vancouver and Districts Joint Sewerage and Drainage Board, and miscellaneous; 4,252 Class III. private freight-vehicle licences to farmers; and 37 public passenger-vehicle licences issued for a flat fee of \$5 pursuant to paragraph 3.72.

LICENCES IN EFFECT.

While the tabulation shown in Appendix B shows the total number of licences issued, this is not a true picture of the actual number of licences in effect from time to time as, during the year, various licences are surrendered or short-term licences have expired and other changes occur. The following tabulation shows the approximate number of licences actually in effect at the beginning of each month:—

Approximate Number of Licences in Effect—i.e., Number of Licences issued, less Number of Licences surrendered or expired.

March, 1941	6,753
April	8,930
May	9,860
June	10,374
July	10,891
August	11,201
September	11,538
October	11,668
November	11,807
December	11,834
January, 1942	11,819
February	11,813
End of licence-year	11,779

MONTHLY RECORD OF NEW APPLICATIONS RECEIVED.

In order that a comparison may be made as to the number of applications for licences of all kinds recorded month by month and year by year, the following tabulation may be of interest:—

Month.	NUMBER OF APPLICATIONS RECORDED.	
	1940-41.	1941-42.
March	567	608
April	391	412
May	362	431
June	347	353
July	388	378
August	341	340
September	336	292
October	276	227
November	202	209
December	168	208
January	117	131
February	191	321
Totals	3,686	3,910

NUMBER OF LICENCES ISSUED ANNUALLY, 1935-41, INCLUSIVE.

The following is the total number of licences issued under Part V. of the "Highway Act" and under the "Motor Carrier Act," respectively, for the years stated:—

	Licence-year.	Licences issued.*
Part V., "Highway Act"	1935-36	1,672
	1936-37	7,832
	1937-38	11,148
	1938-39	11,970
	1939-40	12,427
"Motor Carrier Act"	1940-41	13,025
	1941-42	14,635

* Including licences transferred.

REVENUE.

Included in Appendix B is a statement of the revenue derived from the various classes of licences and from permits and other miscellaneous sources, the total for the licence-year 1941-42, which shows an increase of \$20,626 over the previous year.

The following is a comparative statement whereby the increases during the past three years from the various kinds of licences can be readily seen:—

Kind of Licence.	1939-40.*	1940-41.	1941-42.
Passenger (buses).....	\$16,295.91	\$18,369.50	\$20,061.60
Passenger (taxis).....	2,273.34	4,040.77	5,281.72
Public and limited freight.....	79,498.27	89,093.03	100,696.10
Private freight.....	25,540.00	33,032.81	37,723.89
Permits.....	535.76	2,426.14	3,853.26
Miscellaneous.....	22.00	85.70	56.70
Totals.....	\$124,165.28	\$147,047.95	\$167,673.27

* Denotes licences issued under Part V., "Highway Act."

The increase of over 14 per cent. in fees for 1941-42 over the previous year is due to an increase in the number of licences, the basis of fees being the same. The increase may be attributed to the increased momentum of Canada's war effort. There was a noticeably less inclination on the part of licensees to apply for short-term licences. In general, throughout the year the number of applications for additional licences was surprisingly high, indicating a continual upward trend in the business index. It was only during the month of January that the number of applications dropped off markedly, but this falling off was not sustained despite the war-time restrictions in the use of motor-vehicle transportation.

SPECIAL PERMITS.

As previously reported, the issue of temporary permits for special trips or seasonal movement of passengers and freight has been found necessary in order to provide a measure of elasticity in the administration of the "Motor Carrier Act." The authority for issuing permits is vested in the various Field Inspectors of the Motor Carrier Branch, subject to certain restrictions, and, in the case of Class VI. permits respecting school buses, in the Provincial Police.

During the year the regulations respecting permits were amended, providing for the waiving of fees for Class I. and Class II. permits in cases where the work that is to be undertaken is for charitable or patriotic purposes or on behalf of religious or educational organizations or where the class of transportation is such that no licence fee is required, and where Class I. permits are issued pending consideration of the application for licence.

The following is a summary of the various classes of permits issued during the year. The total revenue from these permits amounted to \$3,853.26 as compared with a revenue for the previous year of \$2,426.14.

SUMMARY OF THE VARIOUS CLASSES OF PERMITS ISSUED DURING LICENCE-YEAR 1941.

	No. of Permits issued.
Class I. Permits (temporary operation, usually for a few days only).....	671
Class II. Permits for seasonal operation (for thirty, sixty, or ninety days).....	396
Class III. Permits for operation of licensed vehicle temporarily in a manner other than is authorized by the licence.....	849
Class IV. Permits for substitute vehicle when licensed vehicle is disabled.....	172
Class V. Permits to farmers for transportation for compensation.....	<i>Nil</i>
Class VI. Permits for operation of school buses in connection with authorized school function (issued by Provincial Police).....	127

LICENSING GENERALLY.

The Superintendent of Motor Carriers reports to the Commission all cases of applications respecting licensing of public and limited vehicles, including new applications, alterations of licences, transfers of licences, etc. In some cases these reports are referred to the Commission with a recommendation for the decision of the Commission, in other cases they are forwarded for record purposes.

During the licence-year the Commission received 1,258 of these reports from the Superintendent as compared with 1,426 reports received during the previous licence-year.

An analysis of these reports shows that 1,299 applications respecting public and limited vehicle licences were dealt with during the year, of which 5 per cent. were with respect to public passenger-vehicles, 14 per cent. with respect to limited passenger-vehicles, 54 per cent. with respect to public freight-vehicles, and 27 per cent. with respect to limited freight-vehicles. A further analysis of these reports shows the following:—

Subject of Report.	No. of Applications reported.
New applications	418
Applications for additional licences	231
Applications for alteration of licences	340
Revision of licences	132
Reclassification and alteration of licences	64
Transfer of licences (including alterations)	77
Licences altered by the Commission	21
Miscellaneous	16

Of the above applications, 143 were refused, 94 were granted in part only or were granted with restrictions added, 6 were withdrawn, and 1,056 were approved.

LICENCES SUSPENDED OR CANCELLED.

During the year the Public Utilities Commission suspended five licences for various reasons and cancelled two; namely, the public freight-vehicle licence of Ina B. Goggin, on the grounds that this licensee had ceased to give public freight service, and the limited freight-vehicle licences of Dora I. Moore, of Minto Mines, on the grounds that this licensee had operated the vehicles in contravention of her conditions of licence. Public hearings with respect to cancellation of these licences were duly held, in accordance with the provisions of the "Motor Carrier Act."

HEARINGS HELD BY PUBLIC UTILITIES COMMISSION.

The following is a summary of public hearings held by the Public Utilities Commission in connection with applications for licences, changes in conditions of licences, alterations of schedules, and other matters pertaining to the administration of the "Motor Carrier Act":—

(1.) WESTERN CANADIAN GREYHOUND LINES, LTD.

At Victoria, on May 2nd, 1941, the Public Utilities Commission held a hearing to consider the application of Western Canadian Greyhound Lines, Ltd. (successor to Central Canadian Greyhound Lines, Ltd.), Calgary, Alberta, for approval of transfers to the Western Canadian Greyhound Lines, Ltd., of the following:—

- (a.) Public and limited passenger-vehicle licences held by E. D. Campbell, R. V. Wilkinson, and C. M. Blackwell for operation between Prince George and Quesnel:
- (b.) Two public passenger-vehicle licences held by Cariboo Stages, Ltd., for operation between Vancouver and Quesnel:
- (c.) That part of the licence privileges of B.C. Coach Lines, Ltd., which provides for public passenger-vehicle operation between Kamloops and Revel-

stoke. (One licensed vehicle of B.C. Coach Lines, Ltd., to be transferred and B.C. Coach Lines applied to have its other licences altered so as to delete the right to operate public passenger service between Kamloops and Revelstoke.)

This application was refused. The Commission was of the opinion that the granting of the application would have had the effect of taking away from the B.C. Greyhound Lines, Ltd., to its great loss, all legitimate public passenger business which it then enjoyed by virtue of privileges held by the latter company to operate under its licences between Kamloops and Revelstoke, and that public service would not be improved. A full text of the reasons for this judgment are contained in Appendix D of this report.

(2.) WILLIAM INGLIS.

At Vancouver, on Thursday, July 3rd, 1941, the Public Utilities Commission held a hearing to consider the application of William Inglis, R.R. 3, New Westminster, for public passenger-vehicle licence to operate between Boundary Road and Hastings Street (Vancouver) and Broadway and Sperling Avenue (Burnaby) via Hastings Street East to Sperling Avenue and via Sperling Avenue to Broadway.

This application was made, as claimed by the applicant, to provide a necessary service to the residents of the communities of Lochdale and Lozells; the former, it was declared, not having access to any public means of transportation whatsoever at that time. Submissions were made on behalf of B.C. Electric Railway Company and B.C. Motor Transportation who, after clarification as to the operation proposed by Mr. Inglis, offered no objections.

Subsequently an application was received from another operator for permission to undertake a similar service, and, at a later hearing in respect to this other application, a delegation representing the residents of the locality stated that they had been unable to obtain from Mr. Inglis a satisfactory time schedule and also had been unable to come to an agreement on Mr. Inglis's proposed fares and that they therefore withdrew their support of Mr. Inglis's application. After considering both the applications, the Commission determined that the subsequent application should be granted and that the Inglis application should be refused, and the Commission so ordered.

(3.) B.C. GREYHOUND LINES, LTD., AND WESTERN CANADIAN GREYHOUND LINES, LTD.

At Vancouver, on July 23rd, 1941, the Public Utilities Commission held a hearing to consider an application by the B.C. Greyhound Lines, Ltd., Vancouver, B.C., for an increase in schedule of public passenger-vehicle service to two trips per day each way between Vancouver and Revelstoke and an application by the Western Canadian Greyhound Lines, Ltd., Calgary, Alberta, for an increase in schedule on public passenger-vehicle service to two trips per day each way between Revelstoke and west boundary of Yoho National Park.

As applicants are connecting carriers, the applications were heard jointly.

This application was opposed by the B.C. Coach Lines, Ltd. The B.C. Greyhound Lines, Ltd., and the Western Canadian Greyhound Lines, Ltd., are licensed to operate a joint service from Vancouver to the Eastern British Columbia boundary via Kamloops and Revelstoke. They were operating on a time schedule of one trip per day each way. They applied for permission to operate on a time schedule of two trips per day, the reasons given being increase in traffic and the fact that on certain portions of the route—namely, through the National Parks—the Western Canadian Greyhound Lines, Ltd., was restricted to weights of vehicles which would be operated. To meet the increased traffic it was not possible to operate larger buses; therefore they proposed to operate an extra daily service with the smaller type of buses suitable for the National Parks. The B.C. Greyhound Lines, Ltd., meeting the other line at Revelstoke, requested the two schedules daily in order to carry the passengers to and from Western Canadian Greyhound Lines, Ltd.

The B.C. Coach Lines, Ltd., which operates a public passenger service between Kamloops and Revelstoke, objected to that part of the application for two schedules per

day between Kamloops and Revelstoke. Their objections were on the grounds that they were licensed and were fit, willing, and able to handle all business to and from the Western Canadian Greyhound Lines, Ltd., at Revelstoke, and, in turn, hand the business over to the B.C. Greyhound Lines, Ltd., at Kamloops. After hearing evidence the Commission decided that the applications of the B.C. Greyhound Lines, Ltd., and the Western Canadian Greyhound Lines, Ltd., for a twice daily schedule be approved, and the time schedules were consequently received and filed.

(4.) CORPORATION OF DISTRICT OF WEST VANCOUVER.

(West Vancouver Municipal Transportation.)

At Vancouver, on September 30th, 1941, the Public Utilities Commission held a hearing to consider an application by the Corporation of the District of West Vancouver (West Vancouver Municipal Transportation) for reclassification of Public Passenger-vehicle Licence A-106, respecting a bus having a seating capacity of thirty-three passengers; the said licence to be reclassified as a public and limited passenger-vehicle licence to include therein limited passenger-vehicle privileges as follows, namely:—

“Vehicle may also be operated as a limited passenger-vehicle for charter trips only for the exclusive conveyance of a person or group of persons to whom or for whose use the vehicle is chartered at a fixed price for use of the whole vehicle as follows:—

“(1.) Parties originating in and picked up in the Municipality of West Vancouver—to any point on the Lower Mainland of British Columbia, including North Vancouver and Vancouver and return to West Vancouver.

“(2.) Parties picked up at any point on the Lower Mainland of British Columbia for transportation to the Municipality of West Vancouver only and return.”

The application was opposed by the B.C. Motor Transportation, which contended that there was already sufficient and proper equipment available and licensed for the public for charter trips. In support of the application of the municipality it was claimed that the municipality was embarrassed in having to deny residents of the municipality the privilege of using buses owned by the municipality for transporting parties to or from West Vancouver. The B.C. Motor Transportation is on record as stating that they had no objection to the municipality giving service to its own citizens by taking charter trips from West Vancouver outwards, but claimed it would be an injustice to other already licensed carriers if the municipality were permitted to accept charter business originating in areas served by the B.C. Motor Transportation, Ltd., and other licensed carriers.

The Commission ruled that the application be granted in part only, namely: That the municipality should be allowed the privilege of carrying parties from points within the Municipality of West Vancouver to any points on the Lower Mainland only. In special cases of trips originating outside of the municipality for transportation to points within the municipality, application could be made for special permit for consideration. The granting of the privilege was further conditioned on the filing of a satisfactory charter tariff.

HEARINGS BY SUPERINTENDENT OF MOTOR CARRIERS.

The policy of holding regular weekly public hearings by the Superintendent of Motor Carriers respecting applications under the “Motor Carrier Act” at Vancouver and special hearings, when necessary, was continued. The Superintendent is assisted at the hearings by the Assistant Superintendent and the Rates Examiner who act in an advisory capacity to the Superintendent.

Notices of hearings are posted on the notice-board in the Vancouver office and are also mailed to all carriers or groups of carriers and other persons who, it is considered, would have an interest in the application. Hearings are not held on all applications, especially applications for certain limited freight-vehicle licences or minor alterations of public-vehicle licences. The question of whether or not a hearing is to be held on

any particular application is decided by the Superintendent or by the Commission. During the time elapsing between date of receipt of application and date of hearing, the application is investigated by an Inspector, which investigation, in some cases, may result in withdrawal of the application or an amendment thereof.

The following is a synopsis of the number of hearings held by the Superintendent of Motor Carriers at Vancouver during the year:—

HEARINGS HELD BY SUPERINTENDENT OF MOTOR CARRIERS MARCH 1ST, 1941,
TO FEBRUARY 28TH, 1942.

Month.	Number of Hearings.	Number of Applications heard.
March, 1941	4	39
April	6	37
May	5	35
June	5	28
July	4	38
August	5	30
September	5	32
October	5	19
November	6	34
December	6	30
January, 1942	6	14
February	5	22
Totals	62	358

DETAILS OF CERTAIN APPLICATIONS GRANTED OR REFUSED.

The following is an outline of some of the more important applications and other matters dealt with and decided, other than applications which were heard by the Commission and which are reported elsewhere:—

The application of Boeing Aircraft of Canada, Ltd., for limited passenger-vehicle licences to carry employees and plant-workers between Boeing Plant No. 3 on Sea Island and the terminus of B.C. Electric Railway car-line at Marpole was approved.

Class II. public freight-vehicle licence authorizing scheduled public freight service between Vancouver and Merritt was transferred from Elizabeth R. Bond to Triangle Transport Co. (Earle Chase).

Certain public freight-vehicle licences of the B.C. Motor Transportation, Ltd., were revised with respect to privileges for hauling otherwise than on a regular time schedule.

Application of Victor W. Hart for Class II. public freight-vehicle licence for scheduled service between Vancouver and Trail via Princeton was refused. (NOTE.—A similar application was refused during the previous licence-year.)

Several new applications for limited passenger-vehicle licences respecting taxi and sightseeing at Victoria and vicinity were refused.

The application of B.C. Greyhound Lines, Ltd., for extension of their Vancouver-Kamloops public passenger service to Revelstoke, subject to certain restrictions with respect to local service between Revelstoke and Kamloops, was approved, effective June 1st, 1941.

A number of applications for limited passenger-vehicle licences to operate taxis from the terminal points of Vanderhoof, Fort St. James, and Pinchi Lake, chiefly intended for the purpose of accepting business at Pinchi Lake, were refused although, towards the end of the year 1941, one such licence was granted to Manson Transport for operation of a taxi out of Pinchi Lake.

Western Canadian Greyhound Lines, Ltd., under date of June 1st, 1941, were granted four licences to operate public passenger service between the West Gate of Yoho National Park and Revelstoke via the Big Bend Highway. Later during the year all licences of the Western Canadian Greyhound Lines, Ltd., were made interchangeable for all routes over which this company is licensed to operate.

Public freight-vehicle licences were granted to Reliance Storage and Cartage Company and to James Storage and Cartage Company, both of Calgary, Alberta, covering transportation of household goods from points in Canada, other than British Columbia, for delivery to points in eastern British Columbia, with permission, when making a return trip from an inward loaded journey, to pick up a load of household goods in British Columbia for delivery to a point in Canada other than British Columbia, for business originating at a point outside British Columbia.

E. H. Neville was granted a licence to operate public passenger service from the intersection of Boundary Road and Hastings Street to intersection of Broadway and Sperling Avenue in Burnaby Municipality. This service was later extended via Broadway, Bainbridge Avenue, and Government Road to a point one-quarter mile east of Seaforth-Lozells School. The licence is subject to a restriction that no local passenger service may be given on Hastings Street between Boundary Road and Holdom Avenue.

The public freight-vehicle licences of A. L. Townsend, Carson's Truck Line, Ltd., and Wood and Fraser Transport, operating between Vancouver and Prince George, and of Docherty's Cariboo Freight Lines were revised for the purpose of defining in more detail the pick-up points, points served, routes to be followed, and restrictions as to local pick-up and delivery.

W. A. Sproule, of New Westminster, was granted permission to operate an additional public passenger loop service, approximately 14 miles in length, from and to New Westminster, covering the south-western part of the District Municipality of Coquitlam.

The limited passenger privileges respecting public and limited passenger-vehicle licences held by the Interior Transportation Company, Ltd., of Ashcroft were amended, permitting of a wider territory for charter business in the areas served by this company; namely, permitting of picking up parties anywhere in Licence Districts 9, 11, and 12, provided that the business originates at a point on their public passenger route between Ashcroft and Quesnel, with delivery to points in these districts and to Kamloops, to points between Ashcroft and Kamloops and to Prince George and points beyond Prince George—subject to a restriction that charter trips from Quesnel may only be made to points south of Quesnel.

The public freight-vehicle licences of the Chilliwack Cartage Company were altered and reclassified where necessary with a view to more clearly setting out the area which may be served, the routes which may be followed, and the restrictions which the company must observe with respect to local pick-up and delivery of freight.

The application of Herbert R. Hill, of Port Moody, for alteration of limited passenger-vehicle licence, respecting a taxi to include transporting students attending business schools in Vancouver, from Port Moody to Vancouver and return, charging individual fares, resulted in amendment by the B.C. Motor Transportation, Ltd., of the latter company's public passenger-vehicle time schedule over this route to accommodate these students, and the application of Mr. Hill was therefore refused.

Neal Evans Transportation Company, Ltd., made application for a public freight-vehicle licence respecting a truck to undertake the transportation of express between Vancouver and the Bridge River District as an adjunct to the applicant's regular public passenger service over this route. This application was made on the grounds that the present licensed public passenger-vehicles operated by the company were unable to carry all of the express that was offered. The application was refused, it being felt that to grant this application would be the equivalent of granting a public freight-vehicle licence between these points.

Application of Keremeos Fruits, Ltd., for a Class III. public freight-vehicle licence to transport fresh fruits and vegetables locally for growers shipping their fruit through the applicant company, and fruit and vegetables for reshipment from Keremeos to points as far north as Vernon was considered. Item (1) of the application covering transportation of fresh fruit and vegetables locally was approved. Item (2) regarding fruit and vegetables for reshipment was not approved, as this company had not previously enjoyed this hauling and there was no evidence that the granting of this portion of the application was necessary for the convenience of the public.

The application of Archie Carswell, d/b/a Rocky Mountain Freight, of Vernon, for Class II. public freight-vehicle licence for scheduled service between Vernon and Revelstoke via Grindrod, restricted to no local pick-up and delivery of freight between Vernon and Armstrong, was approved. His previous application for public freight-vehicle licence from Vernon to Salmon Arm thence via Grindrod to Revelstoke was refused on the grounds that sufficient service was already available between Salmon Arm and Vernon.

The public freight-vehicle licences of the Blue Line Freight, of Nelson, were amended by deleting therefrom that portion of the privileges respecting public freight service between Nelson and Salmo, as it was ascertained this company was not giving this service.

The application of B.C. Fruit Shippers, Ltd., of Vernon, for two limited freight-vehicle licences to undertake transportation of fruit and vegetables for reshipment, restricted to hauling from or to packing-houses in the Okanagan and at Kamloops owned by the B.C. Fruit Shippers, Ltd., and Mainland Fruit Shippers, Ltd., was refused. An amended application from the same company to transport fruit and vegetables for reshipment only between packing-houses owned and operated by the B.C. Fruit Shippers, Ltd., at certain points in the Okanagan was also refused. This was an important case, dealing with the question of whether packing-house companies which are engaged in the business of grading and marketing fruit should also be allowed to enter into the transportation business for compensation. The Commission was of the opinion that public necessity did not require the licensing of additional vehicles for this purpose.

The application of Kelowna Growers' Exchange for a limited freight-vehicle licence to transport fruit and vegetables for reshipment from packing-houses owned by Kelowna Growers' Exchange to other packing-houses and shippers in the Okanagan and vice versa was also refused.

The application of Joseph Zanatta, of Campbell River, for an additional limited passenger-vehicle licence (taxi) for operation in the Campbell River area resulted in an investigation of the manner in which public passenger service was being given between Campbell River and Menzies Bay by Joseph Zanatta on behalf of the Vancouver Island Transportation Company, Ltd., in vehicles which were owned by Zanatta but licensed in the name of the Vancouver Island Transportation Company, Ltd. Certain vehicles were acquired by the latter company from Mr. Zanatta for this portion of the Vancouver Island Transportation Company's public passenger-vehicle route, and this service is now operated by the company with their own vehicles. Mr. Zanatta's application was withdrawn.

The application of Mrs. Annie Borsuk, of Vanderhoof, for Class III. public freight-vehicle licence replacing a similar licence previously held on another vehicle was refused on the grounds that Mrs. Borsuk was not operating the vehicle herself and was not living at Vanderhoof, the vehicle having been operated by her sons and that the previous operation in this manner was not considered to be satisfactory.

The application of J. A. Wade, of Quesnel, who holds public passenger and public freight vehicle licences for scheduled operation between Quesnel and Barkerville, for permission to operate public freight service between Kamloops and Quesnel was approved. On a previous application, permits were granted and the applicant was instructed to submit details of his loadings over a period of several months. On examination of these figures the Commission was satisfied that the service was needed and that the applicant was fit and able to give this service.

The application of William's Transfer, of Nelson, to operate scheduled public freight-vehicle service between Nelson and Creston was refused. There is already a scheduled service in effect between these points given by Glen J. Morris.

Application of William's Transfer, of Nelson, for scheduled public freight-vehicle service between Nelson and Calgary, Alberta, via Creston, Cranbrook, and Fernie was refused, as scheduled service over this route between points in Alberta and Creston is already being given by R. D. McDonald, and between Creston, Cranbrook, and Fernie by A. C. Bowness.

Application of British Columbia-Seattle Transport (Daverson Bros.), of Seattle, for two Class II. public freight-vehicle licences for scheduled public freight-vehicle service between Seattle and Vancouver, for international service only, was approved. The applicants are the holders of an Interstate Commerce Commission (U.S.A.) permit to operate over this route and, after a hearing lasting two days, at which both sides of the question were ably presented, the Commission was satisfied that there is now sufficient business between these points for the two operators, the amount of freight to be transported having increased since the entry of the United States into the war.

The application of Elmer Johnston, of Vancouver; John L. Anthony, of Spokane; and C. H. McCanta, of Seattle, d/b/a International Freight Lines, for two Class II. public freight-vehicle licences for scheduled service between Seattle and Vancouver for international transportation only was refused. This application was heard at the same time as the application of British Columbia-Seattle Transport (referred to in the preceding paragraph). In view of the fact that the application of the last-mentioned company had been approved, the Commission was of the opinion that further licences over this route were unnecessary.

The application of Interior Transportation Company, Ltd., of Ashcroft (operating public passenger service between Ashcroft and Quesnel), for transfer to themselves of public passenger-vehicle licences held by the Cariboo Stages, Ltd., for operation between Vancouver and Quesnel, and public passenger-vehicle licences held by Messrs. Campbell, Wilkinson, and Blackwell for operation between Quesnel and Prince George was approved.

The application of Interior Transportation Company, Ltd., to alter the licences transferred to them, as outlined in the preceding paragraph, and to alter their own licences in such a manner that the said company be permitted to give through public passenger-vehicle service between Ashcroft and Prince George only—deleting that portion of the privileges previously held by the Cariboo Stages for operation between Vancouver and Ashcroft—was approved; also an application for alteration of passenger time-schedules respecting the route between Ashcroft and Prince George. The Interior Transportation Company, Ltd., now provide a through public passenger-vehicle service between Ashcroft and Prince George, connecting at Ashcroft with the B.C. Greyhound Lines service between Vancouver and Kamloops.

RULINGS MADE.

The question as to whether the pick-up and delivery on a motor-vehicle of freight by a railway express company, where such freight is to be transported or has been transported by the said company by boat or rail from or to the company's local terminal, comprises the operation of a public freight-vehicle, a limited freight-vehicle, or a private freight-vehicle was considered by the Commission. On the one hand it was claimed that the company did not receive any additional compensation for the pick-up and delivery service. On the other hand it may be shown that the pick-up and delivery service is part of the total cost of the movement. Section 7 (4) of the "Motor Carrier Act" gives the Commission power to determine the proper classification of a vehicle in such cases, and the Commission ruled that a limited freight-vehicle licence is necessary.

The B.C. Telephone Company, which operates a large number of vehicles as private freight-vehicles throughout the Province in connection with maintenance and construction of its telephone-lines, claimed exemption from the "Motor Carrier Act" under the provisions of section 65 (1) thereof which reads, in part: "This Act shall apply only to motor carriers and other persons who are subject to the legislative authority of the Province." While it is agreed that this Company is not, as a telephone company, subject to the legislative authority of the Province, section 65 of the "Motor Carrier Act" does not say, "subject to the legislative authority of the Province in every respect." The B.C. Telephone Company is subject to the legislative authority of the Province in many respects and one of these is the manner in which its trucks shall use the public highways of the Province; consequently the Commission decided that limited freight-vehicle licences are necessary.

The question arose as to whether the regulations respecting safety provisions to be observed where passengers are carried on any licensed freight-vehicle apply to trucks which are not licensed under the "Motor Carrier Act" but which are used occasionally for the carrying of passengers. The regulations provide that passengers shall not be transported on a freight-vehicle except under certain specified conditions. The Commission ruled that a truck which is not licensed under the "Motor Carrier Act" (such as a vehicle which is used for transporting freight entirely within a municipality) and which is not carrying any freight is not a "freight vehicle" within the meaning of the "Motor Carrier Act" and regulations.

Cases have arisen where persons owning two farms or two businesses are joint owners of a vehicle and have applied for a private freight-vehicle licence to operate the vehicle jointly in connection with each respective business or farm. The Commission ruled that unless a *bona-fide* partnership exists and unless the two farms or the two businesses are operated jointly under such partnership a private freight-vehicle licence will not cover the operation of the vehicle for such purpose, and that persons who jointly own a vehicle but who operate same for two different farms or businesses require a limited freight-vehicle licence.

With respect to the Big Bend Highway, the Commission instructed the Superintendent of Motor Carriers that no licences should be issued to cover freighting operations over this highway.

LICENCES FOR GROWER-TRUCKERS IN THE OKANAGAN.

The arrangement covering the issue of short-term limited freight-vehicle licences to farmers in the Okanagan Valley, in lieu of permits, to haul for their neighbours, referred to on page 10 of the Commission's report for the licence-year 1940-41, was continued under the same arrangements, such licences being issued only after consultation with the B.C. Fruit-growers' Association. During the licence year 1941-42, thirty-one short-term licences were issued for this purpose, the majority being in the Kelowna area.

SUBSIDIZED OPERATIONS.

In a number of cases where applications for licences are received it is found that the proposed operation with respect to transporting freight for the public is subsidized by an individual contract for other hauling. Cases of this nature are those where the applicant transports newspapers, mail, or school children. In some cases the contract has been taken at a price below that at which the applicant can expect to make expenses or a profit and that the applicant has figured, if he receives the contract, on augmenting his revenue by transporting light package freight or perishable freight for the public along the route which he serves daily.

As an argument in support of his application, the applicant will say that he is passing these people's houses every day and that he has been asked to provide this extra service—often at a rate far below the normal present services. Applications of this nature are difficult to deal with, but the fact that an individual has taken contract to carry out a service at a rate which is not based on the cost of operation of the vehicle should not be grounds for permitting him to cut the rates of other carriers to the detriment of the industry as a whole. There are, however, other cases where no other service of like nature exists and consequently the proposed service would be beneficial to the community.

ENFORCEMENT.

Enforcement of the provisions of the "Motor Carrier Act" is in the hands of the Provincial Police. Inspectors employed by the Commission may lay any information against any carrier for infractions of the "Motor Carrier Act," but in such instances the prosecution is handled by a member of the Provincial Police Force. In the majority of the cases, however, action is taken directly by the Provincial Police.

The Commissioner of British Columbia Police has advised that during the period March 1st, 1941, to February 28th, 1942, 458 prosecutions were made and 451 convictions were obtained, 7 cases being dismissed.

There is a noticeable improvement in the compliance by licensees with the provisions of the "Motor Carrier Act" and the regulations thereunder, such as in adherence by them to the provisions of their licences, the filing of their rates and time schedules and supplements thereto, the keeping of proper records and similar requirements. As the carriers have gradually become better acquainted with the new Act and regulations, it has been possible gradually to improve the enforcement of the regulations.

MECHANICAL INSPECTION OF PASSENGER-VEHICLES.

The policy in effect with respect to mechanical inspection of passenger-vehicles whereby these inspections are made by the mechanical supervisors of the British Columbia Police, under the direction of Commissioner of British Columbia Police, has proved entirely satisfactory. These inspections cover all matters affecting safety of operation and compliance with provisions of the "Motor Carrier Act" and the "Motor-vehicle Act," including such matters as lights, reflectors, mirrors, signals and signs, entrance and emergency doors, interior condition of the vehicle and seats, ventilators, windows, windshield wipers, steering, brakes, running gear, tires, speedometer, fire extinguisher and emergency equipment, and a check is made of the licensed seating capacity and whether standing passengers are permitted under the licence. A copy of each report is issued by the inspecting official to the licensee with instructions as to the carrying-out of immediate repairs or replacements and a copy is forwarded to the Superintendent of Motor Carriers. The Commission is glad to record its appreciation of the co-operation received from the Commissioner of British Columbia Police and his officials in this important phase of control of public transportation facilities.

RENTING OF ADDITIONAL PASSENGER-VEHICLES.

During the year a survey was made to ascertain the extent to which operators of public passenger-vehicles were renting, hiring, or leasing vehicles not owned by themselves for the purposes of carrying overloads or for use in case of breakdown and for other purposes of a like nature. In a number of cases it was found that certain operators were indulging in this practice to a larger extent than had been expected, while, on the other hand, many operators reported no such cases had occurred in connection with their operation.

It is realized that it may, at times, be essential for the operator of a public passenger-vehicle to obtain the immediate use of an additional vehicle in this manner, the alternative being to leave the passengers stranded and unable to reach their destination. Such emergencies may arise at a time when it is impossible to obtain a formal permit. The Commission accordingly approved of the policy of granting annual permits to the operators of public passenger-vehicles permitting them, subject to certain well-defined restrictions, to use unlicensed vehicles in emergencies for a period of a few hours (generally not exceeding forty-eight hours). The restrictions include:—

- (a.) That the licensee shall carry insurance covering the operation by him of any vehicles, not owned by him, which he may rent, lease, or otherwise use; and
- (b.) That the licensee shall submit a return monthly, on a special form, showing number of vehicles rented and hired and used in this manner with full particulars in each case.

It may be mentioned that a number of the operators considered that if the owner of the vehicle is insured with respect to the vehicle, this would be sufficient to cover the operation of same in this manner, but the Commission decided in such cases that the licensee over whose route the vehicle is to be operated should himself be insured with respect to any vehicle he may operate over that route. The foregoing policy is being put into effect in the licence-year 1941-42.

RATES.

When the "Motor Carrier Act" and regulations came into effect no serious attempt had been made under the "Highway Act" to bring about the filing of rates in proper

form, with clear and explicit rules governing the application thereof; consequently, at the outset it was found necessary to assist carriers in making out their tariffs and time schedules. This office actually compiled a number of such tariffs for carriers based on information which was obtained from them with respect to their operations. Unfortunately the practice of assisting carriers in filing their tariffs has had an undesirable result in that some carriers, on being requested by shippers for a special rate, have shown the shipper their approved tariff and have given the impression that the rates are set by the Public Utilities Commission, thereby creating an entirely erroneous impression. It has, therefore, latterly been necessary to make it clear to the carriers that, with the exception of those few cases where the Commission has prescribed rates, the rates filed are those of the carrier himself or of the group of carriers and may be changed at any time with the consent of the Commission on the filing of a supplement to the tariff.

MAXIMUM PRICES REGULATIONS.

The Wartime Prices and Trade Board passed, on the 1st day of November, 1941, the Maximum Price Regulations which, in general, provided that no person may supply any services at a price higher than the price at which such person supplied these services during the basic period from September 15th, 1941, to October 11th, 1941, inclusive, and in this order "services" included the transportation of goods and persons.

This order had an effect on the work of the Motor Carrier Branch, particularly in the matter of obtaining tardy filings of rates by motor carriers in cases where such carriers had not previously set out their rates in proper form or in cases where existing rates were in the process of revision.

In order to assist with these matters the Commission instructed the Superintendent of Motor Carriers to proceed in accordance with the spirit of Maximum Price Regulations—acknowledging and accepting the filing of tariffs so long as there was no increase in the rates, and reporting to the Commission any cases where an increase in rates is involved. Where necessary, the Superintendent of Motor Carriers has obtained a signed statement from the carrier filing rates to the effect: "I hereby certify that the rate or rates named in my Tariff No. effective are in no way greater than the rate or rates assessed by me during the period September 15th, 1941, to October 11th, 1941, both dates inclusive."

Report of the Rates Examiner is contained in Appendix E of this report.

ADMINISTRATION.

VANCOUVER OFFICE.

The arrangements which were in effect during the previous year wherein the main office of Motor Carrier Branch of the Public Utilities Commission is in charge of the Superintendent of Motor Carriers (Major R. M. Taylor) were unchanged and were found to be satisfactory. The Motor Carrier Branch occupies the space on the upper floor of the Motor-vehicle Building, 1740 Georgia Street West, Vancouver, B.C.

SUB-OFFICES.

The sub-office of the Motor Carrier Branch in the Central Building, Victoria, was kept open during the year. Applications for new licences were received at this office and information regarding the "Motor Carrier Act" is available, the office being in charge of the Inspector of Motor Carriers whose district covers Vancouver Island. During the year this office renewed, issued, or replaced 715 private freight-vehicle licences.

Owing to the necessity of moving the Inspector of Motor Carriers from the office of the Public Works Department at Nelson, the Commission approved of the opening of an office of the Motor Carrier Branch at Nelson in charge of the Inspector who has his headquarters at this point. This action was considered necessary in view of the frequent absences of our Inspector in the course of his investigations throughout the wide territory which he covers, in order that persons requiring information regarding

the "Motor Carrier Act" would be able to obtain same without delay and that the Inspector's work could be economically co-ordinated.

INSPECTORS OF MOTOR CARRIERS.

Field Inspectors are located at Victoria, Vancouver, Kelowna, Nelson, and Prince George respectively, the total number of Field Inspectors now being five, which is a reduction from the total of seven who were employed during the previous year.

Inspectors of Motor Carriers perform a most important duty within their respective areas. It has been found a practical necessity, in nearly all cases, to investigate individually applications for public or limited licences or extensions in privileges of same. This can only be satisfactorily undertaken by an employee who is well acquainted with the needs of his district and with the carriers operating therein, and, as a general rule, a thorough picture of the situation cannot be obtained by correspondence. It is seldom found that an application, when first received, correctly describes the proposed operation nor contains evidence as to the need or otherwise for same.

REPORTS OF INSPECTORS OF MOTOR CARRIERS.

Copies of reports from Messrs. J. W. Lyon, Kelowna; J. A. Carmichael, Nelson; F. Black, Vancouver; W. A. Jaffray, Victoria; and G. L. Greenwood, Prince George, are contained in Appendix F attached hereto.

STAFF.

During the month of May, 1941, Mr. Keith Jackson, who had previously been appointed as Assistant to the Rates Examiner, was also appointed Inspector of Motor Carriers in order to enable him to carry out certain investigations, particularly with regard to rates. During the month of January, 1942, Mr. Jackson resigned in order to join the active forces.

Mr. E. G. Hogarth, Inspector of Motor Carriers at Vancouver, resigned his position during the month of May, 1941, having served in this capacity both under the Public Utilities Commission and under the Public Works Department since 1935.

Mr. E. deBlaquiere, Inspector of Motor Carriers at Prince George, resigned during the month of August, 1941, in order to join the R.C.A.F. Mr. G. L. Greenwood was appointed as Inspector of Motor Carriers in place of Mr. deBlaquiere, and, after a period of training at Victoria, in the Kootenays, and the Okanagan, assumed the duties of Inspector of Motor Carriers at Prince George during the month of January, 1942.

Mr. J. A. Carmichael, Inspector of Motor Carriers at Nelson, resigned his position during the month of March, 1942, in order to join the R.C.A.F. Mr. H. K. Hume, previously employed in the office at Vancouver, has been appointed to take Mr. Carmichael's place for the time being.

Two other members of the staff at the Vancouver office—namely, Mr. E. Beecham and Mr. Howard Taylor—resigned their positions in order to join the active forces.

Our Inspector at Kamloops, Mr. P. H. Harrison, resigned his position during the month of August, 1941. His position has not been filled, the territory previously covered by him having been divided between the Inspectors at Kelowna and Prince George.

MISCELLANEOUS.

With regard to the amendment to paragraphs 10.12 and 10.21 of the regulations respecting waiving of fees for Class I. and Class II. permits, the Commission authorized the Superintendent of Motor Carriers to exercise the powers of the Commission contained in these regulations and authorized Inspectors of Motor Carriers to waive the fees respecting permits issued pending issuance, transfer, or replacement of private freight-vehicle licence applied for.

Some minor amendments were authorized with respect to application forms MC5, MC6, and MC8, and the permit form was also rearranged when reprinting of same became necessary. In other respects the forms as originally designed have proved to be satisfactory.

The Commission approved of forms covering power of attorney agreements and specific concurrence certificates to be used in filing and publication of joint tariffs in connection with provisions of paragraph 8.22 of the regulations.

APPENDICES.

APPENDIX A.

AMENDMENTS TO REGULATIONS.

Amendments to the regulations were made as follows:—

Order in Council No.	Date approved.	Subject.
381	Mar. 24, 1941	Adding paragraph 5.71 to the regulations respecting suspension of licences.
397	Mar. 28, 1941	Adding paragraph 3.805 respecting fees to be charged when licence is reclassified by Commission.
744	June 2, 1941	Amending the "interpretation" section <i>re</i> "express"; amending paragraph 10.12; adding paragraph 10.21.
861	June 20, 1941	Adding paragraph 5.64 and amending paragraph 6.12.
1267	Sept. 10, 1941	Amending paragraph 3.81.
1576	Nov. 18, 1941	Amending paragraph 10.61.
1733	Dec. 29, 1941	Amending clause (a) of paragraph 3.72.
32	Jan. 10, 1942	Amending paragraphs 5.31, 5.32, and 5.321 and generally amending the regulations providing for one carrier's licence-plate, only, to be issued for each licensed vehicle, instead of two plates.

APPENDIX B.

“MOTOR CARRIER ACT.”

STATEMENT OF LICENCES ISSUED, TRANSFERRED, AND CLASSIFICATION CHANGED, DURING THE LICENCE-YEAR ENDED FEBRUARY 28TH, 1942; THE REVENUE THEREFROM, AND OTHER REVENUE.

Group Letter.	KIND OF LICENCE. Classification.	Revenue from Licence Fees.	NUMBER OF LICENCES ISSUED, 1941-42.					Number of Licences transferred.	Number of Licences Classification changed.
			Renewals.	New Licences.	Replacements.	Substitute Plates.	Total.		
A	Public Passenger-vehicles	\$8,700.50	124	38	11	1	174	3	4
B	Limited Passenger-vehicles, over 7 passengers	1,427.85	36	14	9	.....	59	.....	.....
C	Limited Passenger-vehicles, 7 passengers or less	5,281.72	358	150	137	3	648	21	.....
D	Public and Limited Passenger-vehicles	9,333.25	115	17	12	.....	144	3	4
E	Limited Freight-vehicles	24,382.86	461	256	85	10	812	13	21
F	Miscellaneous combinations of classes	335.75	11	10	2	.....	23	.....	5
G	Public Freight-vehicles, Class II.	11,245.80	157	41	46	8	252	5	7
H	Public Freight-vehicles, Class III.	58,015.10	1,142	207	184	18	1,551	29	25
J	Public Freight-vehicles, Class I.	6,716.59	80	30	32	3	145	3	22
K	Private Freight-vehicles, Class III. (farmers)	16.00	2,946	1,306	199	18	4,469	.....	.....
L	Private Freight-vehicles, Class I. (other than farmers)	37,707.89	3,922	1,735	507	67	6,231	50	2
	Totals	\$163,763.31	9,352	3,804	1,224	128	14,508	127	90

The figures for revenue are gross revenue. From this amount should be deducted various refunds amounting to \$699.45.

Summary of Total Revenue.

Licence fees	\$163,763.31
Temporary permits	3,853.26
Acts and regulations	16.95
Copies of conditions of licences	11.50
Minutes of hearings	12.50
Tariffs	14.75
Duplicate licence (K)	1.00
Total	\$167,673.27

APPENDIX C.

SUMMARY OF THE MORE IMPORTANT ORDERS OF THE PUBLIC UTILITIES COMMISSION UNDER THE "MOTOR CARRIER ACT," MARCH 1ST, 1941, TO FEBRUARY 28TH, 1942, INCLUSIVE.

(NOTE.—A total of forty-seven orders were issued.)

Date.	Subject.
1941.	
March 18:	Adding paragraph 5.71 to the regulations providing for the suspension of licences without specific order, in cases where a licence issued under the "Motor-vehicle Act" has been relinquished, surrendered, suspended, or cancelled, in cases where a carrier's licence is also in effect with respect to the said vehicle.
March 26:	Adding paragraph 3.805 to the regulations providing a basis for calculation of the additional amount to be paid by the licensee or the amount to be refunded to the licensee in cases where a carrier's licence is reclassified by the Commission.
April 28:	Amendment to the distance table prescribing distances or mileage to be used in determining charges for transportation in limited passenger-vehicles on Vancouver Island.
May 1:	Supplement No. 6 to Charter and Sightseeing Passenger Tariff No. 2, naming rates, rules, and regulations for charter trips and sightseeing tours in Victoria and vicinity, by adding Rule 6—respecting special reduced fares on tours involving a visit to Mr. Butchart's Gardens in certain cases.
May 22:	Amending the regulations with respect to the interpretation of "express" in the "interpretation" section; also adding to the regulations paragraphs 10.12 and 10.21 respecting the waiving of fees for Class I. and Class II. permits.
June 3:	Supplement No. 1 to Competitive, Local, and Joint Freight Tariff No. 1A (Okanagan Freight Tariff), naming certain class and commodity rates, effective June 16, 1941.
June 18:	Authorizing any officer or constable of the British Columbia Police attached to the Natal detachment to issue Class I. or Class II. permits respecting vehicles not licensed under the "Motor Carrier Act" and entering British Columbia from another point in Canada, subject to certain restrictions stated in the order.
June 18:	Adding to the regulations paragraph 5.64, respecting identification of vehicles; and adding paragraph 6.12, respecting the operation of public freight-vehicles or limited freight-vehicles as private freight-vehicles.
June 20:	Amending clause 4 of Charter and Sightseeing Passenger Tariff No. 2 (Victoria and vicinity) respecting recall of misleading advertising matter.
July 21:	Authorizing the Superintendent of Motor Carriers (and the Assistant Superintendent in his absence) to exercise the powers conferred on the Commission by paragraphs 10.12 and 10.21 of the regulations; and ordering that the permit fee shall be waived in the case of Class I. permits issued by Inspectors of Motor Carriers under certain stated conditions; namely, issue of permit pending issue of private freight-vehicle licence applied for, pending transfer of private freight-vehicle licence applied for, and pending issue of licence for replacement vehicle applied for.
July 30:	Consent, pursuant to section 23 of the "Motor Carrier Act," to the creation by the B.C. Greyhound Lines, Ltd., of a liability in the form of a mortgage.
Aug. 18:	Consenting, pursuant to section 62 of the "Motor Carrier Act," to arrangements being made between operators of private automobiles whereby one operator may provide transportation for others over a period of time in return for transportation furnished to him by the others at another period, and consenting to certain advertising as necessary to facilitate the making of such arrangements.
Aug. 15:	Prescribing rates and rules set out in "Competitive, Local, Joint Freight Tariff No. 3," effective August 30th, 1941, respecting scheduled public freight-vehicle service between Vancouver and Quesnel, Barkerville and Prince George.

Date.	Subject.
1941.	
Sept. 5:	Adding to the regulations paragraph 3.81 with respect to the furnishing, free of charge, to each motor carrier with respect to each licensed vehicle affected a copy of tariffs prescribed by the Commission and prescribing charges for such tariffs in other cases, including amendments or supplements thereto.
Nov. 10:	Amending paragraph 10.61 of the regulations with respect to the issue of permits regarding charter trips to be carried out on school buses.
Dec. 15:	Amending Rule 4A of Charter and Sightseeing Passenger Tariff No. 2, by adding thereto the words "Christopher Point."
Dec. 15:	Amending clause (a) of paragraph 3.72 of the regulations by including within the area referred to therein a portion of unorganized territory lying between the boundaries of Saanich and Esquimalt Municipalities, east of the west boundary of Admirals Road.
Dec. 31:	Prescribing and approving of "Specific Concurrence Certificate" and "Power of Attorney Agreement" as forms to be used in the filing and publication of joint tariffs in connection with paragraph 8.22 of the regulations.
1942.	
Jan. 8:	Amending the regulations as necessary to provide that only one licence-plate shall be carried on the rear of the vehicle, instead of two licence-plates on the front and rear respectively.

APPENDIX D.

REASONS FOR JUDGMENT OF PUBLIC UTILITIES COMMISSION.

RESPECTING APPLICATIONS OF WESTERN CANADIAN GREYHOUND LINES, LTD., *et al.*, FOR APPROVAL OF TRANSFERS OF LICENCES COVERING ROUTES FROM B.C. COACH LINES, LTD., AND CARIBOO STAGES, LTD., TO WESTERN CANADIAN GREYHOUND LINES, LTD.

These are applications made to the Public Utilities Commission under the "Motor Carrier Act" on April 28th, 1941, by the Western Canadian Greyhound Lines, Ltd. (successor to Central Canadian Greyhound Lines, Ltd.), represented by Mr. Fay, its President and Managing Director, together with the Cariboo Stages, Ltd., the B.C. Coach Lines, Ltd., E. D. Campbell, R. V. Wilkinson, and C. M. Blackwell, for approval of transfers to the Western Canadian Greyhound Lines, Ltd., of the following, to wit:—

- (a.) Public and limited passenger-vehicle licences held by E. D. Campbell, R. V. Wilkinson, and C. M. Blackwell for operation between Prince George and Quesnel.
- (b.) Public passenger-vehicle licences held by Cariboo Stages, Ltd., for operation between Vancouver and Quesnel.
- (c.) That part of the licence privileges of B.C. Coach Lines, Ltd., which provides for public passenger-vehicle operation between Kamloops and Revelstoke. (One licensed vehicle of B.C. Coach Lines, Ltd., to be transferred and B.C. Coach Lines has applied to have its other licences altered so as to delete the right to operate public passenger service between Kamloops and Revelstoke.)

Under the "Motor Carrier Act" it is necessary for the Commission to approve before a licence may be transferred, and the Commission may impose conditions with such transfer.

In exercising its judgment in these cases the Commission considers public convenience and necessity and the interests of other carriers who may be affected by such transfer. The Commission considers that the public interest will be best served by giving protection to existing licensed carriers who are giving or who are ready and willing to give good service to the public.

In October, 1940, Mr. Fay appeared before the Commission on behalf of the Central Canadian Greyhound Company above mentioned, and applied for a public passenger licence for through service only over the Big Bend Highway, terminating at Revelstoke in the west, and gave his unqualified support to the application of the B.C. Greyhound Lines, Ltd., which already held running rights from Kamloops to Vancouver, and which was applying at the same time for a similar licence from Revelstoke to Kamloops.

These two companies wished to obtain these licences in order to carry through passengers from the east to the British Columbia Coast by the shortest and most convenient route, the Central Canadian Greyhound carrying them west to Revelstoke and transferring them there to the B.C. Greyhound, which was to carry them to Vancouver.

Upon these applications which were heard together Mr. Fay said that every public convenience and necessity would be served by granting these licences to the two companies. His written statement to the Commission contains, *inter alia*, these words:—

"We wish to support the application of B.C. Greyhound Lines, Ltd., to operate through service between Revelstoke, B.C., and Kamloops, B.C., which is filed to effect a through service with our Company between Vancouver, B.C., and Winnipeg, Manitoba, inasmuch as both applications are based upon the same principle and conditions.

"The granting of the applications of Central Canadian Greyhound Lines, Ltd., and B.C. Greyhound Lines, Ltd.; will connect the now existing motor coach systems of British Columbia with those of Alberta, Saskatchewan, and Manitoba on a sound, economical basis, that will ensure efficient and reliable operation and eliminate unnecessary transfers, delays, lack of comfort and make possible co-operation that will meet all the requirements of public convenience and necessity."

The Commission granted Mr. Fay's request, and gave judgment, accepting his argument that granting these two licences would best meet public convenience and necessity.

Now Mr. Fay comes before the Commission, before the arrangement for co-operation between his line and the B.C. Greyhound has been tried out, and even before his licence to run over the Big Bend route has been issued, and asks the Commission in effect to put it within his power to circumvent the said judgment.

He tells the Commission quite frankly that he wants the above-mentioned transfers for the purpose of carrying his passengers, on his own lines, from Revelstoke to Vancouver, instead of transferring them to the B.C. Greyhound at Revelstoke as arranged. He does not contend that the public interest will be better served by the new arrangement, but supports his new application solely on the ground of advantage to his own company.

This means, in effect, that he wants the Commission to assist his company in taking this legitimate business away from the B.C. Greyhound to its great loss, and to nullify the Commission's decision of December, 1940.

The unfairness of this request is all the more apparent when one considers that Mr. Fay, by his former promise of co-operation and negotiations with the B.C. Greyhound, led that company to assume obligations stated to be \$40,000 in connection with establishing the afore-said service between Revelstoke and Vancouver.

It is necessary for the Commission to consider the probable results of a transfer of licence, first as it may affect the interests of the public, and second as it may injure other licensed carriers over the routes involved.

Mr. Fay's frankness in informing the Commission of his intentions has made it easy for the Commission to foresee the effects of the transfers, for approval of which these applications are made. They would result in direct injury to the B.C. Greyhound, and might even prove fatal to that company.

The Commission considers that this attempt to take legitimate business away from the B.C. Greyhound in the manner outlined would result in a condition contrary to the public interest and not conducive to "fostering sound economic conditions in the transportation business of the Province."

In answer to the argument that a transfer should be approved as a matter of course, and that the Commission can deal effectively with the problem when Mr. Fay makes application for schedules on his proposed lines, it is sufficient to say that by approving these transfers the Commission would be assisting the Western Canadian Greyhound Lines, Ltd., to take its first step in carrying out a policy which the Commission deems against the public interest.

The applications for transfer are therefore refused.

APPENDIX E.

REPORT OF RATES EXAMINER.

Submitted herewith is annual report to cover the activities of the Rates Division for the licence-year 1941-42, ended February 28th, 1942:—

The general policy outlined in the Rates Division's annual report of 1940-41 has been conscientiously adhered to. That policy is again stated herein for the benefit of the reader.

- (1.) Where railways and motor carriers compete over the same route or between points situated on railway-lines as well as on routes followed by motor carriers, motor carriers should be permitted to file rates to meet railway competition; provided that the revenue received for transportation of truck-load lots of the lowest class of freight is not less than the cost of operation of the motor-vehicle.
- (2.) Where motor carriers do not compete with railways, or where special advantages accrue to the motor carriers due to the fact that the distance travelled between competitive points is less via the highway, the rates filed by motor carriers should be based upon cost of operation and value of service performed, regardless of the rates charged by other forms of transportation.

During the first year's operation of the Rates Division, one of the chief obstacles to be overcome was the improper classification of licences; this was rectified to a large extent during the course of the last twelve months.

The chief concern during the past year has been securing the filing of tariffs to cover all scheduled carriers and this matter has been given preferred attention. This does not mean, however, that the rates of non-scheduled carriers did not receive any attention, but non-scheduled carriers did not get specific attention unless it was found that they were infringing, or likely to infringe, on the operations of scheduled carriers, it being recognized that the scheduled carriers are providing regular service and therefore serving a greater number of people.

During the year 1940 and up to October 1st, 1941, the work of actually making up tariffs for carriers, and for applicants who hope to become carriers, took up a considerable amount of the Division's time; time that could have been devoted to important and pressing projects.

On September 29th, 1941, the Rates Examiner reported to the Superintendent:—

- (1.) That if the practice (of making tariffs) was to be continued the Rates Division would have to be enlarged with sufficient staff to enable it to undertake all this type of work; i.e., compile tariffs and time schedules for any licensed carrier or any person making an application for licence. This might be undertaken as a temporary measure for a year or until all licensees have properly filed tariffs and time schedules; or,
- (2.) That, in his opinion, the Rates Division should discontinue the practice of compiling tariffs for individual carriers who are unable to prepare their own, thus making it possible for the present staff to concentrate on projects.

On October 1st, 1941, the Commission ruled that the Rates Division should discontinue the practice of compiling tariffs on behalf of individual carriers to file as their own submissions.

One tariff and one supplement were compiled, prescribed, and published during the year. The tariff prescribed was "Competitive, Local and Joint Freight Tariff No. 3," governing the rates of scheduled freight motor carriers between Vancouver and Prince George. This tariff required five months of fact-finding, the revision of existing licences on a uniform basis, and adjustment of time schedules of the four carriers affected. All this was necessary before actual compilation could begin.

The supplement issued was respecting Competitive, Local and Joint Freight Tariff No. 1A, which tariff governs rates in a portion of the Okanagan Valley.

A large percentage of the shipping public is not familiar with the "Motor Carrier Act" and regulations regarding motor-carrier rates. Many are under the impression that all motor-carrier rates are fixed—i.e., prescribed by the Commission—and that it is not possible to change any rate without proceedings. This, however, is not the case. The "Motor Carrier Act" states, in effect, that every motor carrier shall file with the Commission his tariff of rates, except where such rates have been fixed by the Public Utilities Commission. The regulations also provide that any alteration of tariff must be covered by the filing of a supplement (or a new tariff) with fifteen days' public notice first given, such notice being marked "SUBJECT TO CONSENT OF PUBLIC UTILITIES COMMISSION."

The supplement (or new tariff) comes into effect if and when the filing of the application has been acknowledged by the Commission, and, therefore, while the Commission does not, under the Act or regulations, approve of any tariff, the acknowledgment of the filing may be taken as the implied giving of consent by the Commission. Tariffs of rates filed in this manner are neither fixed nor approved, but are accepted more or less "on sufferance." Section 68 of the Act gives the Commission power to disallow or suspend any schedule of rates that it considers unjust or unreasonable or contrary to the provisions of the Act and regulations.

It will, therefore, readily be seen that filed rates are flexible—which is a highly important feature, as rate changes should follow economic changes immediately and should not be unduly impeded by regulations. A carrier operating under a filed tariff is permitted to carry on direct negotiations with a shipper. If carrier and shipper reach a mutual agreement on a rate for the transportation of a commodity, the carrier is at liberty to file a supplement to his tariff, in the aforementioned manner, naming the agreed rate.

The power to prescribe rates is used sparingly and is only exercised to rectify any adverse conditions which may be brought about by abuses of the liberties permitted the carriers and shippers under regulations pertaining to the filing of rates. Prescribed rate tariffs are only published after first obtaining all the facts pertaining to the movement of the commodities for which rates are to be named. A carrier operating under a prescribed tariff is not permitted to carry on direct negotiations with a shipper. To obtain a rate or rule change in such cases the carrier or the shipper must make formal application to the Commission for same and must support his application with substantiating evidence.

There are only three prescribed tariffs in effect under the "Motor Carrier Act" and by far the majority of the carriers in this Province are operating under filed tariffs, which is a tribute to the business ethics of the motor-carrier industry as a whole.

A good proportion of the carriers have now filed tariffs in conformity with the "Motor Carrier Act," and remainder are still operating on rates filed under Part V. of the "Highway Act" (which has now been rescinded). The question might be asked as to why all carriers, not operating under prescribed tariffs, have not filed proper tariffs in conformity with the present Act. The answer is that many are tardy, while many are not capable of compiling a comprehensive tariff. The latter have little idea of formulating a rate basis, as they do not keep costs, with the result that they operate on belated hearsay rates. (The present plight of many of these carriers is precarious, as the Maximum Price Regulations "froze" their rates as at the period September 15th, 1941, to October 11th, 1941.)

Some have attempted to file "token" tariffs (tariffs without any basis) but these have been detected and rejected. The Rates Division has not treated the filing of a tariff as a mere formality, but rather as a matter to be taken seriously. Properly compiled tariffs, when studied collectively, reflect the trend of motor-carrier rates on any given commodity within any given area, or as a whole.

Several investigations were performed involving rates and conditions of licences. The Rates Examiner also held eleven conferences with groups of carriers on tariff matters and five public relations conferences with Cariboo and Northern British Columbia shippers' organizations. A number of audits were also performed, but the audits were not as numerous as desired on account of limited staff and time required.

The Rates Division handled two formal applications for changes in rates in prescribed tariffs and two findings were submitted to the Superintendent covering same.

On November 1st, 1941, the Dominion Government issued P.C. Order 8527 (Maximum Price Regulations), which set a ceiling on prices and rates for transportation at those charged during the period September 15th, 1941, to October 11th, 1941, both inclusive—known as the "basic period." The receipt of this order caused some disturbances in the matter of prescribed rate projects in hand and also to a number of carriers who, on our suggestion, were revising their tariffs to an equitable basis. However, adjustments were quickly made and the order was soon found to be of benefit to the Rates Division as it put a stop to the ever increasing number of tariff changes which, if continued, the limited staff would have been unable to handle efficiently.

In February, the Deputy Administrator of Services of the Wartime Prices and Trade Board called upon the Commission and arrangements were made whereby this Division would act as the vigilante on behalf of the Wartime Prices and Trade Board and would report all applications for increases in rates over the basic period, thus saving the duplicate expense on the part of the Dominion Government.

Many inquiries were subsequently received from carriers as to the possibility of filing tariffs naming increases. They were informed of the Maximum Price Regulations with the result that, with one exception, no tariffs with increased rates were submitted.

Time schedules, both passenger and freight, also come under the jurisdiction of the Rates Division and have been watched very closely for increased running not considered essential. It is well to note that many carriers have voluntarily curtailed their time schedules in order to conserve rubber, equipment, and gasoline.

Apart from the Division's own need of the acquired information by this Department, Dominion Government officials have found our statistical information concerning rates and services of value. Some of these officials have admitted that it would require, in some cases, over a year of research by a staff to give them the information that has been made available to them in the course of a few hours.

The staff of the Rates Division for nine months of the licence-year consisted of the Rates Examiner, Assistant to the Rates Examiner, and stenographer. During the spring of 1941 the Rates Examiner was, for six weeks, on loan to the Attorney-General's Department in connection with a pending railway rate case. A junior clerk was added to the staff in October, 1941. However, in January the Assistant to the Rates Examiner and the junior clerk both joined the armed forces. No male replacements have been made since that time and the staff now consists of the Rates Examiner and two stenographers.

In concluding a second year of operation, it is noticeable that both carriers and shippers have grown more accustomed to the provisions of the "Motor Carrier Act" and regulations thereunder and have a greater knowledge of the principles underlying highway transportation. Many now realize that this highway regulatory enactment is not to discourage private initiative but rather to establish conditions that will stimulate private enterprise.

Respectfully submitted.

E. V. ABLETT,
Rates Examiner.

APPENDIX F.

REPORTS OF INSPECTORS.

INSPECTOR F. BLACK.

(Licence Districts 9A, 13, 14, 14A, 15; Licence District 8 (Hope to Lytton); and portion of Licence District 9 (between Lytton and Lillooet but not including Lillooet).)

With reference to the above for the licence-year 1941, I beg to submit my report on the situation in general.

On June 1st, 1941, Licence District 15 was included in the territory under my supervision. Since the beginning of this year a portion of Licence Districts 8 and 9 were also included.

The above territory now has approximately 1,300 vehicles licensed as public or limited vehicles together with over 4,000 private freight-vehicles, Class I. and Class III.

Two hundred and eighty-seven more investigations were made by the writer this year than last year, giving a total of close to 1,100. These comprised investigations of applications for carriers' licences and alterations thereof, and of complaints received, as well as checking operations of carriers generally under the "Motor Carrier Act" and regulations. One trip was made to Hazelton in April *re* the "Motor Carrier Act" in general and complaints. One trip was made to Creston during the harvest season *re* permits, and one trip to Kamloops and Salmon Arm. For all these operations a distance of 36,280 miles was covered.

From complaints handed to the British Columbia Police, twenty-two convictions resulted, also nine convictions in municipalities controlled by Municipal Police.

The "Motor Carrier Act" is gradually gaining in popularity as time goes on, particularly with limited and public carriers. Considerable difficulty has been experienced in the control of Class I. and Class III. private carriers, as it is not always possible to get sufficient evidence to prosecute.

As regards rates, I may say some headway has been made in this connection, particularly with having the licensees file proper tariffs and, once this is completed, enforcement will be much simpler.

Owing to the number of licensed carriers in the aforementioned districts, the writer has scarcely any time for enforcement as there are so many investigations to be made, and the districts must rely for enforcement on the British Columbia Police, who have given valuable assistance and co-operation.

As regards conditions generally, particularly on the Lower Mainland, a noticeable improvement in the trucking business has resulted on account of war conditions, especially in the logging, lumbering, fishing, and shipyard industries. This has necessitated licensing a considerable number of extra trucks to take care of this additional hauling. A scarcity of ships has also increased the trucking business as ships are not permitted to stay in port for any great length of time. This means that scows which previously operated in the Fraser River transporting lumber from mills in Mission, Whonnock, Haney, and Hammond have been practically done away with and trucks have taken their place. There has also been quite a decline in the number of boats calling at New Westminster, and this means a good deal of freight is being moved from New Westminster to Vancouver in order to make contact with the ships at the latter point.

F. BLACK,
Inspector of Motor Carriers.

INSPECTOR G. L. GREENWOOD.

(Cariboo, Prince George, Omineca, and Skeena Districts.)

NOTE.—This report covers only the period January 11th, 1942, to February 23rd, 1942, inclusive.

Commencing duties as Inspector of Motor Carriers in the "North Country" on January 11th, 1942, with headquarters at Prince George, I found that considerable progress had already been made in the establishment of the "Motor Carrier Act" in my territory. Many local problems had accumulated during the absence of an Inspector in the district over a period of several months, but these were rapidly taken care of with the assistance and co-operation of the Superintendent's Office in Vancouver.

I found truckers and shippers alike "sold" on the principles underlying the "Motor Carrier Act" and practically all of the grievances registered with my office were either the result of a misunderstanding of these principles or the result of problems that had come up and were impossible to handle successfully without a properly trained Motor Carrier representative at hand to settle each matter.

The adoption of uniform tariffs in each licence district is the biggest single benefit that has been brought about in recent months. The larger centres have already been brought under this system, with the smaller ones being completed as soon as possible. Under the former system of cut-rate bidding and shopping for prices, the truckers were not able to give efficient service, due to poor equipment which they could not afford to replace. Under the present system of operating under "uniform filed rates" that are fair to trucker and shipper alike, their equipment has steadily improved, until they are now in a position to give the best service possible.

Under the present system of judging applications for commercial licences on a basis of "convenience and necessity," the commercial truckers have come to regard their licences as a privilege rather than an imposition. During many conferences with them I have found that practically without exception their position has been materially improved under the "Motor Carrier Act."

Commercial licences in my district are at present undergoing a complete revision to the benefit of both trucker and shipper. This work is well under way with a large portion already completed.

Regarding enforcement, I must commend the excellent co-operation that I have received from the Detachments of the British Columbia Provincial Police, who have been an invaluable source of information and assistance to me during my investigations. Their co-operation has made many of my investigations easier to complete than they would otherwise have been, with a consequent saving of time and expense.

Since taking charge of this district on January 11th, I have travelled 3,287 miles up to and including February 28th, making approximately seventy separate investigations during this time. Many of these investigations were the result of complaints that have invariably been brought to a successful conclusion. Although much work still remains to be completed in "Rates and Tariffs," "Revisions of Licences," and the general education of the truckers regarding the many "Regulations," the major problems of the truckers have been taken care of and everything is proceeding smoothly.

G. L. GREENWOOD,
Inspector of Motor Carriers.

INSPECTOR W. A. JAFFRAY.

(Vancouver Island and Adjacent Islands.)

I submit herewith a brief synopsis of progress in administration matters dealt with, general traffic conditions and statistics relative to the enforcement of the "Motor Carrier Act" and regulations in the above-mentioned district during the licence-year 1941-42.

During this year there have been comparatively few applications received for new public or limited licences. This is attributable mainly to the war, which has restrained many ambitious youths from endeavouring to establish themselves in competition with the licensed carriers operating in the district. The applications we have received are, in the majority of cases, for expansion to take care of increased business or of new industries commencing operations. Sawmills, mines, and National Defence projects have accounted for practically all the new licences issued. Shipyard, airport, and military camp construction has sharply increased the movement of freight, and the licensing for such hauling has, for two reasons, been dealt with, generally speaking, by means of temporary permits; namely, firstly, the licensing of all participating carriers would have resulted in a surplus of trucks in the area

at certain times, with the result that shippers would not hire on a point of service rendered alone, but rate-cutting would prevail in an underhand manner; the second point considered was that, should all carriers be licensed for the specific project, the regular licensed carriers in the particular district would not have received any measure of protection under the Act.

Passenger transportation has caused considerable concern in the area, particularly transportation of Army, Navy, and Air Force personnel and industrial workers. The larger companies have obtained new equipment to cope with general passenger travel, which has released the older equipment for the class of service mentioned above. Since inception of the first gasoline restrictions, many conveyances have been altered to comply with regulations to transport industrial workers, and licences have been issued after rigid mechanical inspections were carried out. In this connection, many inquiries have been received recently and there is every reason to believe that, as transportation companies cannot supply this required added service, we will be faced with many such new applications from private concerns. During the year the various passenger transportation companies have used extra buses continuously at peak hours in an endeavour to relieve crowding and so as not to abuse the privileges extended to these carriers of carrying a limited number of standees. In an endeavour to standardize maximum carrying capacities of passenger conveyances, the Commission issued an order governing loadings on buses not controlled under the "Motor Carrier Act."

Complaints received during the year were comparatively few in number, although some involved considerable investigation and in some cases a reorganization of services by the local carriers affected. In certain instances the unification of highly competitive services resulted in first-class equipment replacing poor, and better service rendered at less cost. Several complaints were received regarding service rendered by long-line freight carriers, but investigations disclosed that this was largely due to defence priorities. Additional trucks were utilized to carry overloads and the situation was rectified to the satisfaction of all concerned.

During the early portion of the licence-year, prior to the basic period, the establishment of uniformity in tariffs was well under way in the district. This advance was largely attributable to the major defence works under construction, on which carriers from practically every point on the Island were engaged at rush periods. Through continuous service, even the most careful carrier was obliged to balance cost of operation against remuneration received and then realized exactly what the tariff should be and this has been their guide for future operation. Dump-truck rates (approved by the Commission) have governed the rates on all such defence-work projects to the satisfaction of all. A general investigation of rates applicable to taxis was conducted during the summer months and, although nothing definite has been established, the various interviews have resulted in uniformity among the operators.

Statistics compiled from the diary show the following duties performed during the year, including the investigations previously mentioned in this report.

(a.) Mechanical inspections of motor carriers—passenger-vehicles—total	
number of inspections made	362
Defects noted—	
Defective brakes	79
Defective steering	86
Failed to comply with regulations	304
Vehicles condemned on mechanical condition	16
(b.) Number of investigations made and interviews	762
(c.) Number of complaints dealt with (both written and verbal)	90
(d.) Prosecutions (cases only where information was laid by the under-	
signed)	41
Segregated—	
"Motor Carrier Act" and regulations	28
"Motor-vehicle Act" and regulations	12
"Highway Act" and regulations	1
Total	41
(e.) Miles travelled	20,245

Generally speaking, the mechanical condition of licensed passenger-vehicles has improved, but, due to heavier loadings and greater mileage incurred during the year, more rigid inspections were carried out, especially on brakes. The delivery of new equipment has forced transportation companies to improve the older equipment in an endeavour not to have too great a variation between the two types, and this has the tendency of maintaining all equipment in first-class condition.

I am pleased to report satisfactory progress in all phases of transportation in the district and am satisfied that enforcement of legislation embodied in the "Motor Carrier Act" is largely responsible for this condition.

W. A. JAFFRAY,
Inspector of Motor Carriers.

INSPECTOR J. A. CARMICHAEL.

(Grand Forks-Greenwood District, East and West Kootenays, including Rossland, Trail, Nelson, Kaslo, Slocan, Cranbrook, Fernie, Windermere, and Golden.)

Effective April 1st, 1941, the writer was transferred from Kelowna to Nelson, and therefore this report deals only with matters pertaining to Licence Districts Nos. 1, 2, and 3, being the area under his supervision since that date.

In the course of making investigations and familiarizing myself with local conditions and with the carriers in the territory, it was found many of the carriers believed it to be the intention of the Public Utilities Commission to prescribe a general uniform freight tariff for Licence Districts Nos. 1 and 2. It was, therefore, necessary to correct this erroneous impression by explaining to those operators the provisions of the "Motor Carrier Act" and regulations thereunder to the effect that, while the Act does prescribe the power for the Commission to prescribe the rates to be charged by any motor carrier, this power is not used except in cases where there is a special reason for the establishment of uniform rates in any one district; and that the Act otherwise requires every motor carrier to file with the Commission schedules showing all rates charged by him, the schedules to be arranged in the proper form in accordance with the regulations. During the year a considerable amount of work has been accomplished toward giving effect to these requirements which, it is confidently expected, will show results in the near future by the filing by carriers of their rates and charges in the prescribed manner.

In connection with the compilation of tariffs, it was found, almost without exception, that the carriers are not able to make up a proper tariff without assistance. The only assistance available appears to be the assistance which the Inspectors of Motor Carriers or officials of the Motor Carrier Branch can give, but the danger exists, where officials of the Motor Carrier Branch assist carriers in compiling a tariff, of the carrier taking advantage of the opportunity of naming a higher rate, which may be objected to by a shipper, and there is a possibility of the shipper getting the impression that the carrier has no alternative in the matter, with the belief that the rates have been set by the Commission—which is, of course, not the case. Every opportunity has, therefore, been taken to guard against creating this erroneous impression when giving any assistance to a carrier in the filing of his rates in proper form.

In his dealings with carriers the writer has endeavoured to bring into being a spirit of co-operation and helpfulness in the relations between the carriers and the Motor Carrier Branch, as he has found that many of the carriers are ignorant of the "Motor Carrier Act" both as to its benefits and its requirements. When these matters have been explained in simple terms, full co-operation of the carrier with the Motor Carrier Branch usually results. In this connection it has also been found advisable and helpful to bring certain aspects of the "Motor Carrier Act" to the attention of individual shippers and shipping organizations, particularly as to the provisions of the Act with respect to rates.

A general report of the industry follows in brief, under each licence classification.

Public Passenger Service.—There were no changes of any note under this heading during the past year. With the exception of the Interior Stages of Trail, B.C., there were no complaints of passenger service. The Interior Stages was the subject of a complaint by the Rossland Junior Board of Trade, with respect to time schedules and non-satisfaction with fares charged. Certain changes have been instituted in this regard, and it would appear that the Rossland Junior Board of Trade has been satisfied.

Limited Passenger Service.—This service throughout the entire district appears to be running smoothly. One application for an additional licence by Mr. Elnicky, of Trail, was objected to by all other taxi operators in Trail, but, on proof being submitted, through investigation of all books, records, etc., that the applicant, by reason of a more satisfactory service and not through rate-cutting, was enjoying considerably more business than his combined opposition, the application was granted. All uniform limited passenger tariffs appear to be working satisfactorily and are being adhered to.

Scheduled Public Freight Service.—The failure of one of the two operators servicing the route between Nelson and Creston took place at the peak of the season's freight movement. Considerable time was expended in adjusting this route to a satisfactory service by the

remaining operator, adequate time schedules to meet the requirements of the public along the route with the limited service of the Kootenay Lake ferry being the difficult problem.

One uniform freight tariff between three operators, covering the route between Nelson and Nakusp and way points, was instituted and has proved very advantageous to all concerned. From a general check-up of bills of lading, it was found that many operators were not complying with the regulation; these operators were instructed as to proper procedure and warned to comply properly in the future.

Public Freight, Class III.—A number of licences under this heading were revised, with the object in mind of uniformity of conditions of licence, with the ultimate aim of uniform freight tariffs in the future, among these being all Class III. public freight operators in Creston and vicinity and at Grand Forks and vicinity. This has added greatly to simplification of control and the bringing about of more harmony among the operators concerned. This policy is being followed throughout the territory wherever applicable. Certain previously licensed Class III. operators were found to be operating under one or more direct contracts, and their licences have been reclassified as limited freight licences. Generally speaking, under this heading the writer is experiencing more co-operation and confidence with this class of operator, through as many personal contacts as possible, whenever on patrol through the territory, irrespective of whether he has definite matters to take up with them or not; the policy being to contact as many as possible whenever on specific business in their respective areas.

Limited Freight Service.—A considerable increase in licences under this heading during the past year is mainly due to increased demands for certain commodities as a direct result of the war effort, mainly mining and lumbering, especially the latter. This industry has experienced large National Defence orders, requiring a minimum of time to complete. Wherever possible, all transportation problems in this connection are being given immediate attention with regard to their importance. As far as possible, also, this increase in demand for vehicles is being handled by the issuance of limited freight-vehicle licences, with the object in mind of keeping the trucking industry stabilized, so that once conditions return to normal there will not exist a top-heavy condition by reason of too many public freight-vehicles.

Private Freight-vehicles, Class I. and Class III.—Continual complaints are being received regarding the operators under this heading, mainly to the effect that this class of operator does occasionally transport freight for compensation. Wherever possible, these complaints are investigated by the writer or turned over to the British Columbia Police, Highway Patrol, and, wherever a complaint is found to be justified, the offender is prosecuted. A number of prosecutions in this respect have been handled during the past year.

A great number of investigations have been made with respect to Class III. private freight operators (farmers) as to whether they are *bona-fide* farmers or otherwise.

General.—From a statistical standpoint, some 600 investigations have been made by the writer, covering investigations of applications for licences, alteration of conditions, etc., a considerable number of individual investigations of bills of lading, time schedules, tariff and general operation, aside from calls made on all manner of commercial operators at every opportunity, not only to keep the writer cognizant of changing conditions, but to bring about a feeling of the operators that they are continually in touch with the Motor Carrier Branch. Approximately 33,000 miles were travelled by the writer in carrying out the foregoing. There are 451 licensed commercial vehicles operating in Licence Districts 1, 2, and 3, outlined as follows:—

Public Passenger-vehicles	47
Limited Passenger-vehicles	40
Public Freight, Class I.	25
Public Freight, Class II.	21
Public Freight, Class III.	221
Limited Freight-vehicles	97
 Total	 451

The matter of enforcement is generally in the hands of the Provincial Police but the writer has, where necessary, brought to the attention of the Provincial Police certain matters where disciplinary action was indicated. The appointment by the Provincial Police of a Highway Patrol Constable at Creston has proved most advantageous in so far as enforcement of the "Motor Carrier Act" is concerned, and there has been no lack of co-operation between the writer and all officers and Constables of the British Columbia Provincial Police Force in the area.

Toward the end of the year, the question of office accommodation for myself having arisen, authority was given by the Public Utilities Commission to open up a district office of

the Motor Carrier Branch at Nelson, with telephone and service of a stenographer; previously the situation had not been satisfactory inasmuch as, when the writer was away from Nelson, it was difficult for carriers or the public to obtain any information or assistance with regard to matters under the "Motor Carrier Act." The opening of this office will, therefore, not only be of advantage to the public but will increase the efficiency of the Inspector and effect a considerable saving in mileage travelled by reason of the fact that any matters requiring attention can be relayed to the Inspector while he is in the district, thus often saving a return trip.

J. A. CARMICHAEL,
Inspector of Motor Carriers.

INSPECTOR J. W. LYON.

(Okanagan Valley, Princeton, Merritt, Kamloops, Salmon Arm, and Revelstoke Districts.)

I submit herewith annual report for the licence-year 1941-42, covering administration of the "Motor Carrier Act" and regulations pursuant thereto in the Okanagan Valley, Revelstoke, and Princeton Districts.

With regard to licensing in general, due to stable conditions in the district there was no unusual increase in the number of licensed carriers engaging in the essential services of public transportation of passengers and freight. Both scheduled public passenger service over the main travelled routes and charter passenger service from the principal centres having been established in the past, this year adequate and efficient service was rendered by the present licensed carriers, normal increases in traffic being handled mainly by replacements with larger equipment and, in a few instances, by such carriers licensing additional units. However, the necessity to provide service, in one case, where an unexpected volume movement developed which overtaxed existing facilities, plus inauguration of service to a few more or less isolated communities accounts for a slight increase in passenger-vehicle licences.

A more pronounced increase in public and limited freight licences may be recorded, occasioned by the necessity to ensure additional service to meet the requirements of stimulated production in the basic industries of the district—namely, agriculture and lumbering. Especially in the southern portion of the district, there was a notable increase in agricultural production as new acreage, planted some years ago, commenced to bear, while throughout the district the transportation of forest products was augmented considerably as the lumbering industry operated to capacity. Special mention should be made regarding the limited freight licences issued to "grower-truckers," a system introduced during the previous year, permitting growers to transport vegetables, but more especially fruit, for their neighbours for compensation, from points of production to packing-houses, canneries, etc., during the harvest season. Continuation of this system resulted in a sharp decline in the number of such licences due, in part, to a reduced crop in the northern portion of the district, but also because more growers utilized the services of established public carriers, realizing that such carriers rendered a more efficient and satisfactory service.

Various factors have contributed to an improvement in the control of carriers. Closer co-operation between the carriers and the administration resulted in a more voluntary adaptation of control and regulation by the former and enabled more extensive supervision by the latter; the employment of impartial and equitable treatment in general and in individual situations and problems promoted in the carriers greater willingness to present their problems for solution; and, through a more general appreciation of principles and a mutual understanding of each other's problems, there is increased recognition that the application of control and regulation to their operations is in their interest as a whole. Special endeavour has been made to effect greater control through observance of those regulations pertaining to the duties and restrictions of each carrier's operations and pertaining to the furnishing of adequate and efficient service; regulations which are so necessary where the public interest is concerned and where the rights of other carriers are to be respected. Also contributing to improvement in control, the revision of licences was continued from the preceding year with changes in numerous conditions of licence to ensure a closer relationship between the latter and the actual operations of the carriers.

Considerable attention was paid to matters pertaining to rates and, in the field, to inducing carriers to comply more closely with those regulations which provide for the use of bills of lading and express receipts, the carrying of documents on vehicles, the keeping of records, etc., without which compliance any standard and uniform rates would be ineffective. On the whole, the uniform freight tariff which, in the previous year, had been the initial attempt to establish uniform rates throughout the district, continued to meet with general

approval. One supplement was added to the tariff, and in June assistance was given to the Rates Examiner at two hearings, one at Kelowna and the other at Penticton, attended by carriers to discuss the revision of the existing tariff, division of the same into two parts being contemplated—namely, a separate tariff for scheduled and non-scheduled public freight carriers; also past experience had shown that certain rates required adjustment, increases and decreases being necessary in various items. However, before these revised tariffs could be introduced, any proposed increases had to be abandoned when, as a war measure, existing rates were “frozen” by the Wartime Prices and Trade Board. A number of filed tariffs were obtained during the year from passenger carriers, and also from freight carriers who either transport commodities exempted from the prescribed tariff or who operate outside the prescribed tariff area.

A favourable attitude to the “Motor Carrier Act” and the regulations was displayed by the great majority of the carriers. A genuine desire to co-operate with the administration was encountered generally, and the consensus of opinion appears to be that, during this, the second year since the inception of this legislation, not only had benefits accrued to the individual carrier but also sounder economic conditions had been obtained in the transportation industry as a whole. The carriers seem assured that the administration is interested in not only public service but also in protecting the privileges and rights of the established carriers in so far as consistent with the public interest. There was particular evidence of this fact when several applications, submitted by shipping organizations desirous of engaging in transportation for compensation, were refused. In fact it may be said that an attitude of general disapproval was apparent only in a very few carriers of the class of individuals who inherently disagree with any form of control or restriction and who invariably place their own interests above the common welfare without considering the consequent detrimental effects to others, whereas sincerely interested carriers confine themselves to constructive criticism and suggestions for improvement.

Enforcement has improved during the year, due in no small degree to the carriers themselves, not only in conducting their own operations in compliance with the duties and restrictions imposed by their licences, but also through their interest in rectifying any infractions they may observe, with the realization that such action is to their own benefit and to the benefit of the industry in the district as a whole. While dealing with actual infractions observed and complaints received, special efforts have been made to enforce those regulations governing the proper conduct of operations on the part of licensed carriers to ensure adequate and efficient service to the public. Despite active co-operation and assistance in matters of enforcement from the Highway Patrol details of the British Columbia Police, considerable difficulty is experienced still with regard to confining the operations of Class III. Private Freight-vehicle licensees (farmers) within the scope of their licences.

In conclusion, in conducting some 500 general investigations, a distance of approximately 20,000 miles was travelled by the undersigned during the year.

J. W. LYON,
Inspector of Motor Carriers.

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REPORT ON THE PUBLIC UTILITIES COMMISSION

The Public Utilities Commission has the honor to acknowledge the receipt of your report on the subject of the proposed extension of the gas mains to the city of New York. The Commission has carefully considered the same and is pleased to find that you have given due consideration to the interests of the public and the requirements of the city.

The Commission is of the opinion that the proposed extension of the gas mains is a desirable and necessary project and that it should be carried out as soon as possible. It is recommended that you proceed with the construction of the same and that you keep the Commission advised of the progress of the work.

The Commission is also of the opinion that the proposed extension of the gas mains will be of great benefit to the city and its inhabitants. It will provide a more convenient and economical method of heating and cooking and will also improve the appearance of the city by removing the old gas pipes and fittings.