

pounds and, in western Canada, fifty-four cents per 100 pounds. I quote these figures merely to show the difference in freight rates and to emphasize the fact that western Canada freight rates are today high and that any increase in freight rates will add to an already heavy burden.

Let me cite a few instances. The freight on cement from Fort Whyte, Manitoba, to Regina is twenty-seven cents per 100 pounds. An increase in freight rates of thirty per cent would mean an additional charge of seven cents for an 87½ pound bag of cement. It would also mean that the price of canned goods would be increased by one cent per can. The cost of furniture would increase too. The freight charges on a studio lounge weighing 150 pounds from Montreal to Saskatoon amount to \$2.97. An increase of thirty per cent would add eighty-nine cents to the cost of that lounge. The people of the western provinces as consumers have to import all the manufactured goods they use, so that any increase in freight rates would add to the cost of the articles they buy.

We must remember that the people of Saskatchewan in particular are producers of primary products and the cost of exporting these products out of the province to markets such as Toronto and Montreal is indeed high. The cost of sending a 1,200 pound steer from Maple Creek to Toronto, with a freight rate of \$1.12½ per 100 pounds amounts to \$13.50, and thirty per cent of that amounts to \$4.05. An increase in freight rates of thirty per cent would mean a decreased revenue to the farmer of approximately \$4 on that steer. One might argue that when cattle prices are high, as they are relatively today, \$4 does not amount to much, but if cattle again go down to a price of two or three cents a pound, that freight burden would indeed be enormous.

On all the cattle marketed in Saskatchewan in 1944, namely, 378,859 head—these figures are taken from the Canada Year Book—if it is assumed that the average weight was 1,000 pounds and that the cattle were shipped from Moose Jaw, the freight would amount to over \$4,356,000, and a thirty per cent increase in that amount would mean a loss in revenue to the farmers of Saskatchewan of \$1,300,000.

I have some figures here to show the butter production in Saskatchewan. Sometimes we lose sight of the fact that Saskatchewan has a substantial dairy industry. If one forgets about the dairy production of Ontario and Quebec, 33.6 per cent of our butter production in Canada comes from Saskatchewan.

Mr. MacNICOL: That is outside of Ontario and Quebec?

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Mr. ARGUE: Yes. I think all members realize that butter production is an important thing in Canada today and anything that will tend to decrease the supply of butter is certainly something that cannot be pardoned by this house. If we want to get away from the rationing of butter and to get into the position where we shall not have to take butter from New Zealand, which forces the people of Great Britain to go without some of the very small amount of butter they are receiving at the present time, nothing should be done to decrease our butter production. The average freight on butter leaving the province of Saskatchewan is 2.61 cents per pound, according to the Saskatchewan Dairy Association. The freight cost on the bulk items required in the processing and marketing of creamery butter is .15 cents per pound, and the average freight on the incoming product to the creamery is 1.5 cents per pound. So that here we have a total charge of 4.26 cents per pound on butter produced in Saskatchewan. An increase of thirty per cent in the freight and express rates would add 1.28 cents to the cost of a pound of butter. The Saskatchewan Dairy Association contend that a thirty per cent upward revision in freight rates would mean the loss of at least three-quarters of a cent a pound and perhaps more to the Saskatchewan butter producers. Certainly, if that happens, Saskatchewan producers of cream are going to leave the production of dairy products and return to straight wheat farming and thus there will be less diversification than there now is. I think diversification where possible is a good thing, and certainly we should not support anything that would tend to make the farmers of western Canada leave the production of butter and dairy and meat products and go back into the highly hazardous business of straight grain farming.

It is estimated that a thirty per cent increase in freight rates would mean a reduced income to the producers of poultry of at least three-quarters of a cent a pound and a decreased income from eggs of three-quarters of a cent a dozen. All these figures, based on statements of the Saskatchewan Dairy Association, show that any increase in freight costs would mean a serious reduction in farm prices and, therefore, a serious reduction in the living standards of our farm people. And so the people of western Canada, and of Saskatchewan in particular, feel that they have a real stake in freight rates in this country. They know that any freight charge, whether it be high or low, is added to the price of goods that they must buy and deducted from the price of the goods