

freight rates. I ask, therefore, that the members keep in mind the rule to which I have referred in speaking in this debate and in any debates which may follow while the matter is *sub judice*.

Mr. ARGUE: The only reason I went to the trouble to get this information together was that I think this particular matter is of vital importance to the people of western Canada. As I understand it, an appeal from a decision of the board is to the governor general in council and I would not consider I was doing my duty if I did not speak on freight rates before a decision is made. I shall attempt the best I can to keep away from referring to the application.

In making a submission to the royal commission on dominion-provincial relations in 1939, Mr. R. A. C. Henry said:

From 1916 to 1920, the various general increases in rates which were granted, while allowed as protection to the carriers against increased costs, were at the same time used to reduce further the disparity between eastern and western rates.

It is generally well known that there is disparity between rates. For instance, it costs twenty cents to ship 100 pounds of petroleum products fifty miles from the city of Regina, whereas it costs only eight cents to ship a similar weight a similar distance from the city of Sarnia. Surely it can be seen that any upward revision of these rates on a proportionate basis would further widen that disparity.

The argument that there is competition from trucks operating on the highways in western Canada can be met. This type of competition is very small in western Canada, particularly in Saskatchewan. There are only 139 miles of hard-surfaced roads in Saskatchewan, whereas in Ontario there are 7,407 miles of hard-surfaced roads, including Portland cement, bituminous pavement and bituminous surface. Then there is water-borne competition which is not available in western Canada. The people of western Canada are wholly or nearly wholly dependent upon the railroads for transportation of goods into and out of that part of the country, and consequently they are concerned with what freight rates may be at any particular time.

We should remember that a tremendous backlog of demand for goods has been built up, particularly in Saskatchewan, on account of the long years of depression before the war and to the fact that the production of most items was drastically curtailed during the war. Because of that backlog, the freight rates that must be paid on incoming goods will have a serious effect upon the living standards of the people in that part of Canada.

[Mr. Deputy Speaker.]

For instance, in 1946 the Ford dealer in Regina had a quota of 300 cars; this year his quota is 600. The same figure applies to the Chevrolet dealer. Increased freight rates on 600 cars, twice the number of cars shipped in 1946 will mean a real added cost to the people of that province of Saskatchewan. The cost of transporting a Dodge de luxe special four-door sedan from Windsor to Moose Jaw is \$117.23. Thirty per cent of that figure amounts to \$35.17. It costs \$41.50 to ship an eight-foot tiller combine with seeding attachments from Brantford to Regina, and thirty per cent of that is \$12.45. The freight charges on an eight-foot combine are \$74.63, thirty per cent of which would be \$22.39. Then there is the mark-up put on the freight charges by the wholesaler and the retailer. That adds further to the transportation charges. Taking \$35 as thirty per cent of the cost of transporting a car from Windsor, the mark-up would probably raise that amount to well over \$50.

We should keep in mind, too, the fact that housing conditions in Saskatchewan are bad as a result of the depression and because of the small amount of building during the war years. A survey in the prairie area was made by the farm management department of the university of Saskatchewan. This showed that 23.5 per cent of farm homes were considered to be in poor condition; 70.4 per cent were considered to be in fair condition, and 6.1 per cent in good condition. The report states that at least fifty per cent of the houses in poor condition need to be replaced by more adequate and suitably constructed dwellings, while the remaining fifty per cent need the expenditure of at least one-half of the replacement cost to put them in fair condition. The farm homes in fair repair need from ten to twenty per cent of their present value spent in the way of repairs to put them in satisfactory condition.

Facilities such as furnaces, electricity, flush toilets, bathtubs and so on, are to be found in less than one in ten of these homes. It costs a minimum of \$425 to equip a home with sanitary facilities. The freight charges on the lumber, cement, iron and steel products and everything else necessary to build and repair a home constitute part of the cost. When freight rates are high, the cost of those materials is consequently high. Any upward revision in freight rates will seriously affect the cost of home building.

I have here the rates on lumber from Saint John, New Brunswick, to Chatham, Ontario, and from Vancouver, British Columbia, to Herbert, Saskatchewan. In each instance the distance is 985 miles. The freight rate in eastern Canada is thirty-seven cents per 100