

*The Address—Mr. Argue*

because of the widespread desire that the means test be abolished. The campaign is based largely on the belief that it is time the people of Canada reminded the government of its past promises. I should like to quote from page 38 of the federal government's green book proposals to the provinces made in 1945 as follows:

The principal feature of the proposed national old age pensions is the elimination of the means test.

That is the principal proposal, and not until this session of parliament has the government announced that even if the provinces sign financial agreements they will not remove the means test from old age pensions. Since the 1945 conferences broke down we have been told repeatedly by government speakers in the house that the whole fault lay with the premier of Quebec, Mr. Duplessis, and the then premier of Ontario, the present leader of the opposition (Mr. Drew). I know now why the government has changed its attitude. It is because very soon the present financial agreements will end. Then new financial agreements will be discussed. And the government is afraid that this time all of the provinces may be prepared to sign, and the government then would be called upon to implement its own program. Therefore what do we get? We get a committee of inquiry, and I doubt very much whether the old age pensioners will get much more than that for some considerable time.

In recent days there has been another increase in freight rates. First of all there was a 21 per cent increase in 1948. At that time seven of the provinces objected strenuously to the 21 per cent being added to a freight rate structure which was already unfair and discriminatory. Therefore they took their complaints to the governor in council, and on October 12, 1948, order in council P.C. 4678 was passed by way of instruction to the board of transport commissioners to commence a general freight rates inquiry. In part it reads:

The committee observe that one of the representations made by the petitioning governments is that a horizontal or flat percentage increase of 21 per cent in all freight rates disregards and accentuates existing disparities in the freight rate structure, and that this had already been the subject of a direction to the board, as set out in order in council P.C. 1487 of April 7, 1948, in which the board was directed to make a thorough investigation of the rates structure of railways and railway companies which are under the jurisdiction of parliament with a view to the establishment of a fair and reasonable rates structure which will, under substantially similar circumstances and conditions, be equal in its application to all persons and localities . . .

Further on the board is instructed to consider the matters set forth in the petition of

[Mr. Argue.]

the provinces concurrently with the pending application for a further increase in freight rates. In other words, the government instructed the board of transport commissioners to make a thorough inquiry into the freight rates structure, at the same time to consider the railways' application for an increase, and then to bring in a decision with regard to both matters. The board did not get around to making the inquiry. Instead we have the so-called 16 per cent increase in freight rates, but it works out at 19.36 per cent over the rates existing before the 21 per cent increase.

The increase in freight rates last fall and the one of a few days ago took place after the election campaign in which the government said to the people of Canada that there might or might not be an increase in freight rates, but in any event the board of transport commissioners had been instructed that if there was to be any change it had to be brought about in such a manner as to make freight rates more equitable and just. That has not been done. If the people of Canada had known that there would be a further 16 per cent horizontal increase in freight rates on top of the previous 21 per cent, then I am sure that the results of the election on June 27 would have been substantially different.

Yesterday the Minister of Agriculture (Mr. Gardiner) spent a great deal of time discussing markets. He wound up by saying that we had a few agricultural surpluses. He said we had a surplus of cheese, a surplus of butter and a surplus of honey. I should like to tell him that the farmers think we have a surplus of eggs also, because they know that the wholesale price of eggs at Saskatoon for example went down from 52 cents a dozen on December 23, 1948, to 33 cents a dozen on December 23, 1949—a price netting the producer as little as 20 cents a dozen average grade. At Winnipeg from August of last year until February of this year hog prices were reduced by \$7 a hundred. The farmers know that there is a surplus of agricultural commodities when they see such terrific drops in the returns they receive. We all know that we have lost the British market for eggs. We know that we have a bacon contract with Britain for only 60 million pounds this year as compared with 160 million last year. We know that contract will end in July. We all realize Canada is rapidly losing the British market.

The Minister of Agriculture (Mr. Gardiner) took the Conservative party to task yesterday. He went back over its history and condemned R. B. Bennett for his policy of trying to blast his way into the markets of the world. I would say to the minister that the Bennett policy, unsuccessful as it was, of trying to