

to refer. I do not think any exception can be taken to them. I wish to read from the war labour board's order of October 16, 1946, which states in part:

During the years 1939 to 1945 inclusive the total assets of the Canadian Pacific increased considerably, as have reserve and profit and loss balances. The liquid position of the company has been maintained and indeed improved. Funded indebtedness is down substantially thereby and to a commensurate extent freeing the company from certain recurring fixed charges.

I think the question of fair freight rates can be argued on the basis of advocating for western Canada rates that are similar to rates in eastern Canada. Moreover, one would not consider it fair for a railway company to make a relatively large profit in one section of Canada and a relatively small profit in another. For instance, in the years 1936 to 1946 the Canadian Pacific Railway Company on its western lines made a profit of \$248,150,000 and in the same period, on its eastern lines, \$126,700,000. Those profits are indeed large, and the significant fact in them is that the profit made in western Canada was almost twice as much as that made in eastern Canada and follows a pattern that is shown in the profits of the Canadian Pacific Railway Company in past years.

Mr. McCANN: Income or profits? In what year did they ever make \$248 million profit?

Mr. ARGUE: From 1936 to 1946, a period of years.

Mr. McCANN: Oh, ten years?

Mr. ARGUE: Yes. I think it would be well for the house to bear in mind that Dominion cash subsidies to the C.P.R. over the years have amounted to a total of \$89,671,000 and that federal land grants have been made, totaling 32,902,000 acres. The people of this country have a real stake in the C.P.R., because the people, through the federal government, have provided large subsidies and large land grants, and certainly because of that they should have the right to see that the C.P.R. provides adequate service at reasonable cost to all parts of the nation.

As reported in yesterday's *Hansard*, the Minister of Finance (Mr. Abbott) announced that certain increases were to be made in the depletion allowances for gold mines in this country. I should like to point out that such an increase in depletion allowances means an increased value of the capital stock, and the amount of that increase is not subject to income tax as would have been the case, for instance, if a subsidy were paid to the company and, as a result of that, profits were

increased. I should just like to suggest to the government that at some time it consider the feasibility of a capital gains tax.

Getting back now to the whole question of the standard of living of the people of western Canada, I believe it should be pointed out,—and it cannot be pointed out too strongly—that the people of western Canada, the wheat growers in particular, will until 1950 receive a price for wheat of \$1.35, which is a frozen price. I would say that it now rests on this government to see that the farmer is not faced with increased costs which would reduce his income and his standard of living. I should hope that the government, after the report of the board of transport commissioners is made to it, will consider all these facts.

Mr. N. J. M. LOCKHART (Lincoln): Mr. Speaker, it has been my considered opinion that in this debate it is the duty of members who may feel so disposed, to bring to the attention of the government matters of particular concern to their constituents. I wish to detain the house with only a few remarks, and to a large degree they will be of a general character; but at the end of them I wish to sum up specifically.

In my constituency at the present time the rural telephone lines are working overtime. I recently sat in on some of the discussions, and to say that the people are concerned would be putting it mildly.

There has been a considerable surplus of domestic vegetables in southern Ontario and in my area particularly. I refer to such commodities as carrots, beets, cabbage and the like; there is a large list of commodities which might be referred to. An urgent demand is being made that the federal government should do more than they are doing to protect the home market for fruits and vegetables. I will not enlarge on the caustic criticism that is sometimes heard; but, summing it up, I will say that the feeling of the vast majority of producers in my community is as I have indicated. The producer groups have been very active during the past few weeks in particular, since it is the off-season; and I suggest most earnestly to the government that at every opportunity they sit in with these organizations which represent the various fruit and vegetable growers groups. I can assure the government that these men are sincere. They do not approach the matter from any political angle. They desire to turn out the best possible produce at the lowest possible price.

I have discovered one other thing, namely, that there is a general consensus that the system of import and export permits meets