

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session — Tenth Legislature
24th Day

Tuesday, March 4, 1947.

The Assembly met at 3:00 o'clock p.m.

On the Orders of the Day.

RESOLUTIONS

RESOLUTION RE — INCOME TAX EXEMPTIONS

Mr. M.H. Feeley (Canora) moved, seconded by Mr. Daniels (Pelly):

That this Legislature request the Dominion Government to increase exemption from income tax to \$1,000 for single persons and \$2,000 for married persons.

He said: Mr. Speaker, in accordance with this motion, I believe the Government could increase the exemption from income tax to \$1,000 for single persons and \$2,000 for married persons. I do so because in my opinion this action is economically sound and it is long overdue. It will, I am sure, give a major relief to a great many people who are in need of it throughout the Dominion of Canada today.

You remember, Sir, that during the last Session of the Legislature I introduced a similar resolution calling for an increase of the minimum to \$1,200 for single persons and \$2,500 for married persons. Now, I have in no way changed my opinion. I believe that the need for this amount is much greater today than it was a year ago. However, in the meantime the Federal Government has made certain concessions; they have increased the minimum from \$650, I believe it was, to \$750 and to \$1,500 for married couples. Now I am in a rather awkward position because I think you will also remember when I rose to move the motion a year ago, I was able to point out that as soon as the Federal Government saw my motion on the Order Paper they took steps to implement the matter requested in it. Today, while they haven't gone quite so far, I notice in the morning paper that action is contemplated. Now, it is only about four days, I think, since I put my motion on the Order Paper and I assure you I do feel gratified. However, I am a bit concerned because in this morning's paper it says: "There is some forecast that the recently increased exemptions on personal income will be raised again from perhaps \$1,000 to \$1,200 for single, and from \$2,000 to \$2,500 for married taxpayers." Now, I hope, Sir, that because we have been as modest as we have in reducing the amount — I hope that won't influence them to reduce their ante also. As a matter of fact, I said that I feel that the need for this higher exemption is even greater today than it was a year ago.

In order to explain just why I agreed to this change, I think I should tell you something about it. In the first place I mentioned the concession in order to get the support of all the Members on this side of the House. Now, some of them, last year, were a bit hesitant — to put it mildly, Sir — about supporting this because they felt that possibly when we become the Government at Ottawa, as we are the Government of Saskatchewan today, that we might not follow just this particular course. In order to relieve them of any concern in this matter, I am going to

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suggest that we are not today moving a resolution of this kind laying down policies for the CCF Government that we hope will soon be elected to the Dominion Parliament. We are simply dealing with the situation as it is. Here we have a situation where we have another Government in power, with the Members with their own ideas as to the methods of providing for the people of Canada. Because of that fact we have to be practical in the requests that we make to this Government. We are making this request because we think they might possibly accede, and as I said, I think we were justified in hoping that we might get some action when we have had evidence of that action very quickly after we gave them notice of what we might ask for.

I have another reason for agreeing to this reduced amount. You remember, Sir, that last Session when the vote on this question was about to be taken, the Opposition — not just caring to go on record in opposition to something that is so desirable for the people of Saskatchewan and the people of Canada, something that is so completely justifiable — at the same time not wishing to antagonize their real leader, Mr. Gardiner, they decided to beat a retreat about the time the vote was being taken. You will remember, I believe, that the Hon. Member for Arm River hesitated so long that he nearly got caught and he actually just about scooted out. But he finally got under the wire at that.

I was down at this Ice Carnival here a few days ago and in one of the acts they had a bunch of sheep — little sheep — and they were very beautiful by the way; a wonderful exhibition it was. But there was one little black sheep and he was always a little bit behind and he was always scooting to catch up; and he just reminded me so much of the Hon. Member that we decided to call him Herman. Now, I hope, Sir, that the Hon. Members will not be frightened away this time — I hope they will stay and support us in this Resolution and possibly we can get what has been suggested in the news item today.

Then there is another matter. I hesitated to make this Resolution so drastic — if you can use that term — that all Members couldn't support it — in particular the Members of the Opposition — because now that the Hon. and gallant Member representing the Armed Forces in the Mediterranean area has joined the Liberal Opposition, I think it would be too bad if he, too, felt called upon to beat a retreat on an occasion of this kind. So with the explanation, Sir, I think you will agree with me that I have considerable justification in modifying the request.

Last Session in presenting this question, I suggested that this action would allow people in low income groups to retain more purchasing power. As a result these people would be enabled to and would, buy more goods, thus procuring for themselves a higher standard of living and at the same time provide for Canada a market for the goods that we shall soon be producing in such super abundance; a market that will soon be needed, Sir.

May I quote from Liberty Magazine of February 24th, a statement from banker Graham Towers. He has this to say:

One of the principle factors in our present prosperity is that Canadian exports in 1946 were nearly two and one-half times the total for 1938.

Graham Towers still found reason for nervousness. He said:

The trouble is that about one-third of Canada's 1926 exports were financed by credit to foreign countries. Sales on credit were made principally to help Canada's traditional customers, namely Great Britain, France and the Netherlands, to re-establish themselves.

I, Sir, agree with Mr. Graham Towers that there is need for concern because I think that we can all agree quite readily that we will not continue forever to sell our goods on credit; and when the time comes that we cease that, then we are going to be looking for markets. And here is the place where we can find some of those markets. I will never forget the statement made by the Member for Kelvington some years back when he was addressing the Government from the Opposition bench; and he said, "The trouble is with our Governments of Canada, when they look for markets they look away off over the heads of the people of Canada; they look over to Europe or Asia or some place for markets, and they completely forget the enormous market that would be available for the people of Canada had they the purchasing power to make them effective. And I suggest to you now that in the outset, a market for Canadian goods is in Canada and that we must be prepared to provide ourselves with sufficient purchasing power so that we can buy as many dollars worth — roughly as many dollar's worth as we produce. And, therefore, Sir, I suggest that this Resolution will provide, if agreed to this afternoon, for the people of Canada, more purchasing power. It will not solve the problem, but it will provide more markets. It will help to cushion the shock of the depression when it comes. I guess this will be just one more thing that will help, as was suggested by the Hon. Member for Maple Creek, who just sat down, to provide that cushion that will be so necessary.

Today, I propose to show that increasing the minimum exemption is necessary for another reason. Statistics show quite definitely that we cannot afford lower standards of living. This tax with present minimums reduces the living standards for hundreds of thousand of people in Canada. Lowering living standards results in lowering morals, increase in crime, worry over money problems causing increase in insanity and poor physical health through malnutrition. I need not say much about the latter for the sad experience that we had at the time of the outbreak of War, when we found so many of the young men of this country physically unfit for military service, largely because of the fact that they had been undernourished down through those depression years. The story is old; it has been told many times, but I hope that we shall not soon forget.

A year ago, Sir, the need for this relief — the measure of relief — was great, but today, because of rising living costs, that need is multiplied several times over. I am sure that we all realize that living costs are up; but I wonder if we realize just how much they are up. And I wonder if we realize the tempo that that increase is reaching today.

May I quote from the Canadian Forum of August 4, 1946:

The cost of living, even in the official index and this does not reflect the rise at all adequately, is racing upwards in a steeper curve that it did at any time during the War. Revaluation of the dollar compared with the American dollar is not likely to stop it.

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And then again from Blair Frazer, writing in Maclean's Magazine of August 14, 1946, Mr. Frazer, has this to say:

In Montreal a man went to buy a suit of English cloth that he used to buy for \$65, even as late as 1942. The tailor showed him a bolt, supposed to be a little better though the man could see no difference, it cost \$95, or 46 per cent higher than the old cloth; and it was all the tailor had. In Toronto a man wanted a driveway to be paved. In 1940 the job cost him \$60. This time the same contractor quoted him \$125. He called in another contractor who bid \$150, so he put the first man to work — increase over the prewar price 108 per cent. In Winnipeg, a man bought a house for \$14,000. The same house was offered in 1938 for \$8,000 and nobody bid more than \$7,500. The 1946 price is 81 per cent higher than the highest offer for the house before the War.

In every part of Canada housewives are paying more for food, golfers are paying more for golf balls and motorists are paying more for cars. I am not so concerned about the golfers with their golf balls and I am not even quite so concerned about the cars, but I am concerned particularly about the absolute necessities, the minimum necessities of life; and unfortunately those are the things that have risen most rapidly. Further, the best guess regarding the value of the dollar is 78 cents; that is if you don't smoke, have a thrifty wife, 2.6 children and hate green vegetables.

I don't know if we can all qualify for that. But again, Sir, in the Labor Gazette, published by the Department of Labour of November, 1946, page 1661, we find this — and I want to particularly stress this point, Sir — the germ of the figures I am going to quote here and by the figures that I will show all the way through — the sad part of it is that, as the cost of living rises, it is the cost of the absolute necessities that have made the most drastic rise.

The average cost of living as at January 2, 1945, was 124.6. On December 4, 1945 (11 months later) it has only gone up to 126.2. Food at that time, by the way, was 130.2 and at December 31st it was up 2.8 points to 133.

Now here is the interesting part:

On January 2, 1946, the average cost was 126.3 just a bare advance. At October 1, 1946, the average cost had gone up to 136.9, or 10.6 points. Now food at the beginning of that period was 132.8 and by October 1st had gone up to 146.5

Now there are many different things that enter into our cost of living, Sir. We mentioned golf balls and automobiles, houses and so forth, but the first fundamental is food. After that, I think, is clothing, but the sad part of it is, as I have said, that the rise in the prices of food have been the greatest. And then, in addition to that, the most valuable foods are those that are affected first and affected most drastically; and when food prices get beyond the purchasing power of the people, then the ones that get the axe first are these same valuable foods.

Quoting from the Canadian Forum of January, 1947:

Milk, the world's finest food. Milk is considered the world's finest all-round food. One quart will supply a person with all the calcium needed in a day; all the riboflavin needed in a day, half of the Vitamin A and thiamin required in a day — more than one-half of the total requirements and one-third of the needed calories.

Mr. Speaker, I am quoting from the Leader-Post of February 18, 1947:

Price rise reduces milk consumption. The most valuable food, the food most needed for the well-being (particularly of our young people) and because of the fact that the cost of living — the cost of these foods — has risen to the extent that it has, we have the reduction in the consumption of milk.

Also, Sir, I saw in — I think it was yesterday's paper or the day before — a statement that the price of butter is going up. The price of butter is going up because the Federal Government is reducing its subsidy and it will probably go up about 10 cents per pound. Then from the Financial Post of November 16, 1946, I find this: The heading is, "Here is the Box Score for 1947 Trends in Food."

Another reason why a lot of food prices will be higher is the policy of the Federal Government of discontinuing subsidies. If the Federal Government is prepared to discontinue the subsidies on food, then the least, Sir, that they can do is to help to this extent, to enable the people to purchase the food that is necessary to their well-being. It won't solve the problem but it will help. That should be important now because so many people are affected and so drastically affected.

I couldn't begin to give you the figures for the present time, but I do know that in 1941, according to the Canada Year Book 85.3 per cent of the workers of Canada received an income of less than \$1,500 a year and 35.8 per cent received less than \$500 a year. Now all of these groups — I am not certain, but I feel that the income has probably risen — that of all of these groups under that category would come under the classification that I mentioned. The \$500 it is true, at this time, if they are married, wouldn't be effected by the change in the minimum; but I think that most of our incomes have increased some, although it is, I think, important to remember that it was during the second year of the War when the depression was supposed to be over that we had such low incomes and our economic advisory committee — and I am sure the Members opposite will be glad to get a little advice from them — tells us that according to their estimates the minimum income that should be received in order to provide the minimum standard of living should be \$1,913 — this by the way was last fall — per family and that doesn't include insurance.

Now, in conclusion, may I sum up my arguments thus. The increased minimum is necessary and desirable because so many people in low income groups will have their living improved by it. It will remove worry of making returns for many farmers in particular — being a farmer I certainly appreciate that. Many of them will not be required to make returns who would otherwise have been required to do so. The greatly increased cost

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makes the action imperative. Labor and salaried classes are in a completely impossible position at the present time because, not only have their salaries not increased, but the cost of living bonus that they were receiving down through the War years that was not taxable, is now a part of their income and subject to taxation. Lastly, because it is sound economics and will help to solve the problem of markets and contribute somewhat towards cushioning the shock of the depression that is just around the corner. I hope, Sir, that this will receive unanimous support of this Legislature because, again, I feel it is a mighty important step that we should take.

I move this Resolution.

Mr. D.Z. Daniels (Pelly): — Mr. Speaker, I don't believe there is any Member in this House who would disagree with this, that it isn't the amount of taxes that you pay in any one year, but it is what you have left for your ordinary, every day life that counts most. Taxes should not take away certain things, certain rights, of people to have the things that they need in their homes. I don't know just what order of preference you could give, but the upkeep of the home whether it is the rental of the place you live in or whether it is the taxation and repairs of your own home, comes pretty close to the top. Food, clothing, health care, education, recreation and savings for a rainy day, all have to be taken into consideration. In looking over some of the records and some of the statistics, this is what we find.

In some of the higher income brackets some people will say well, people in the high income brackets pay an awfully high tax, the percentage that they pay out of their gross income is pretty high compared to what the farmer in the lower income brackets or the small wage earner has to pay. Let us look at that picture.

Speaking now from my initial statement of how much you have left after you have paid the tax. Let us look at a person who pays or who gets an annual income of \$50,000. His tax comes pretty high. He pays more than half of that gross income in taxes, a total of \$26,955, but he has left a net income of \$23,035, which works out on the basis of, leaving out the Sundays of the year and taking in a six day work week, leaving out the two weeks period of the year without any pay, that is, of course, because the Federal Government is involved there, but where in people of Saskatchewan would have two weeks holiday with pay, he still would have left a net daily income, after paying all taxes, for three hundred days of the year, of \$76.80. Now that is a considerable money; some of our bachelor friends in the Legislature could spend many a happy evening if they had that much left over from every day's work.

Take another class, the class of the \$100,000 gross income for a year. Their per day, per diem, net income after paying all taxes, would be \$127 and some odd cents. Then take the person who makes a half a million dollars gross. After deducting all taxes, for 300 days of the year he would get a net income per day of \$329.60. Now that is a pretty tidy sum. You'd have to do a tall bunch of spending in order to be able to get rid of that much in a day.

When you consider that approximately 33 per cent of our national income is swallowed up in the payments of interest on

our national debt and the huge indebtedness that has been incurred in the years gone by, we will realize what that means to the two different groups of people. The one group who is in the high income brackets in the millionaire class, well that's all right for them to pay even as high as 80 or better than 80 per cent of their gross into the income tax fund, because it will return to them in the form of dividends on their bonds, in the form of interest on their investments and in the other forms of income that they may have, always drawn to a large extent on the large investments and the set-up of capitalism as it is today. When you take a chap who is struggling along and has an income of slightly over \$750 today and he has to immediately start paying out income tax, it reduces his standard of living and proportionally reduces it far too much for the cost of living of today.

If anybody doubts that those people, who are in the high income tax bracket have had that return of income taxes come to them again and again as sort of a revolving door, let them just look over the city. Let them glance over the tallest buildings, the finest buildings over the land. You will find that they belong to the mortgage corporations, the banks, the insurance companies and so forth and outside of this building and I suppose if we went and looked up the record, we would find that the fellows who loaned the money to build this stately Legislative Building, that is perhaps, very much in their hands even today, after so many years of interest payments on that. Outside of this building and outside of the Dominion Government building where they take in your income tax, take you in in more ways than one there and then the Post Office and a few other buildings that we have bought and a good sized store, because we bought these buildings from the Free Enterprise for the use of the Provincial Government, the rest of them are in the hands of those who have been able to save a great deal because income taxes have not hit them as hard as the small wage earner or farmer. Look further afield, drive around to the Wellington Drive in Winnipeg where the people live that have seats on the Winnipeg Grain Exchange, who have been farming the farms throughout all these many years and have done mighty well with their job, where the real fancy homes are. They have been built through the efforts of thousands and millions of little people throughout the country, who have contributed through their taxation, scrimping and saving in order to be able to get by on this meagre amount left to them after they have paid their taxes.

So we have a situation that I think needs rectifying, particularly in view of the fact of what the mover of the resolution has brought out and I propose to say a few more things about that later on, about the higher cost of living. We have to do something about it and therefore we are begging the Federal Government to keep cognizance of these facts.

May I point out at this moment, a notice in the paper the other day that the Ottawa Government is not permitting the hospitalization tax to be deducted from our incomes as a proper deductible sum before we pay income tax. I claim that that is a part of our everyday life and that it definitely means that we will have to pay an increased cost of taxation there. I contend that if it is right to deduct your school taxes, your farm taxes, which go to provide certain services for us, then it is just as right to deduct this hospitalization tax before the income tax is collected.

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As often has been said, the welfare of a nation is bound up in the welfare of the individual home. That is the foundation of any organized nation of you the people and every time that the basic standard of living of these people, the masses of the people, is reduced through heavy taxation with no corresponding service in return for that taxation, then the welfare of that nation suffers.

The cost of living has gone up by leaps and bounds. To the lower income bracket people this rise is most burdensome today. I defy any of the fancy economists who pour out reams of drafts and all sorts of figures and everything to try to prove that the cost of living has not gone up a great deal. They are mere apologists for the free enterprisers who would like very much to see the small savings built up throughout the recent War years, throughout the recent period of full employment, decreased to a minus one if that is possible. They would like to see that these little savings disappear as fast as possible so that they could better scare us again with all sorts of things that they used to scare us with before. As the years go by, we will find that these hard working small wage earning people are squeezed between the two stones, the milk stones of rising prices and lowering values in the things that we buy. All that you have to do is ask any farmer about the cost of his tractor today and he will tell you that it is approaching double the price that he had to pay for it half a dozen years ago or so. All you have to do is go down the street and look at the store windows downtown and where in prewar years you could get a couple pounds of peanuts for 25 cents you can go into some of the low-priced stores in the city, at least they claim that they are low-priced stores, and you will find that peanuts are today selling for 39 cents a pound. If that hasn't more than doubled the price then I don't know what further proof there is. And you can go all the way down the line in the way of clothing and other foods as mentioned by the former speaker and find that that is very true. This terrific rise in the cost of living is going to be reflected in our small exemption of today of only \$750 for a single person and \$1,500 for a married couple. Therefore, it makes it so much more imperative that as soon as possible these exemptions be increased to a place where it will be a little more possible to live decently, to keep our families supplied with the necessities of life to keep our heads above water and not to go back in arrears with our taxes and to be able to keep on buying the things that our people in our own land here produce or the people of other lands produce so that the trade in the world will go on and so that depression shall not come and hit us with the force that it did some 15 or 20 years ago.

Therefore, Mr. Speaker, I will support the motion.

Mr. W. Burgess (Qu'Appelle-Wolseley): — Mr. Speaker, perhaps a word or two from one of those unfortunately misguided individuals who opposed the motion of the Hon. Member for Canora last year might be in order. I want to say at the outset, Mr. Speaker, that I don't propose to vote against the somewhat mild motion that is at present before the House, but at the same time my views on the desirability of income tax as a form of taxation have not undergone any material change. But you will note, Mr. Speaker, that the mover and the seconder, in their remarks today, have not in any sense attacked the principle of income tax as a form of raising revenues. They have directed their remarks more particularly to the

raising of the exemption of single persons to \$1,000 and married people to \$2,000. Now, with things as they are, that is perhaps a reasonable proposition. But I would like to remind them of this, that I think we who really desire the people to get the best possible taxation system are prone sometimes to, I won't say, get too politically conscious, because I recognize, Mr. Speaker, that anyone with political ambitions shouldn't even by inference attempt to defend the income tax, it's not popular, it's not a popular tax.

Like the Member for Canora, I personally hate making out the forms almost worse than paying the tax, if that is possible. But the fact remains that if we raise the exemption from \$750 to \$1,000 we save the people, the single person, the sum of \$55 at the present time and, Mr. Speaker, anyone earning \$500 at the present time pays a lot more than \$55 in indirect taxation. I can't quote any figures that I would guarantee as authentic but I would estimate, Mr. Speaker, anyone earning \$500 at the present time in the Dominion of Canada, will be lucky if they get off with \$200 of indirect taxation, if they smoke and drink beer, which, of course, no one who gets \$500 should do, perhaps no one getting more than that should do, but if they use that part of their income, they'll spend more than two-thirds of that percentage of their income in taxes of one kind and another. But if they confine their expenditures to proper things, such as boots and shoes and clothing they will find that it doesn't matter what they buy they pay taxes. Two years ago I attempted to figure out what might be the cost of the taxes on a loaf of bread. While I can't say with any authority how much taxes are on a loaf of bread, if someone were to say to me that the tax on a loaf of bread was more than three cents I wouldn't argue with them because I honestly think that I can find more than three cent taxes on any loaf of bread that anybody buys.

Unfortunately, Mr. Speaker, we the people have encouraged our political people, our political parties and our government to kid us in the matter of taxation. We prefer to pay taxes without knowing it. We like the money to go when we are enjoying ourselves. For instance, we like to pay some taxes when we buy a ticket to a show, we like to pay some taxes when we are getting a new pair of boots; when we get a new pair of boots we get some pleasure out of the new boots and that sort of pays us for paying a dollar or two of taxes. We like the taxes to be hidden.

Yet, Mr. Speaker, it is my opinion that if, as the people, we insisted on all our taxes being collected by direct means we'd get better and more economical government. I think the physiocrats, like the Member for Canora, I am not sure that I know how to pronounce that word — but the physiocrats back in 1666 issued a pamphlet in which they said that direct taxes were best for the nation, that indirect taxes made poor peasants, that poor peasants made a poor kingdom and a poor kingdom made a poor king. I submit, Mr. Speaker, that one of the reasons for our poverty and one of the reasons for our expensive form of government in the Dominion of Canada can be squarely laid to the indirect taxation. And if it were possible, Mr. Speaker, for the Hon. Members to have moved a resolution which might have had the result of taking off the indirect taxes which people pay, I could support it with a great deal of enthusiasm and I could leave the income tax alone even on the low incomes.

I think further that if we were going to deal with the

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income tax we might perhaps do better if we were to argue for a lowering of the rate rather than the raising of the exemption. Because, Mr. Speaker, I am not sure that it is a bad thing for people of even the low income bracket to be tax conscious. For instance, I mean something like this, the people getting \$1,000 or \$700 or \$800, I don't know that it would hurt them much to pay \$5 income tax. I'll admit that it wouldn't get away from making out the forms, but we'll have to learn to make out forms, we're not going to get away from it. It is true perhaps that we didn't get well enough educated in our youth by the governments that were then in power to make out the forms that the Governments that are now in power require, but that can't be helped. We have to learn to make the forms out and we will have to keep our records and even if we get incomes below the \$1,000 the income tax department having our names on their list will in all probability insist that we continue making out forms for many a long day whether the exemption be raised a little bit or not.

Now, the living costs are up. The gentlemen have said that; they are right, they are up. They are not up because of income tax. So far as taxation enters into it, they are up because of indirect taxes. The question comes up of the poor housing or the cost of houses. I think the Member for Canora referred to that as being one of the places where the cost of living is up. Now, Mr. Speaker, I want to offer you a thought with reference to the cost of houses. Back in the 17th century they started the idea of taxing houses. They started it I am told because people of that day felt that the ownership of houses were an exhibition of wealth. They figured the house you had, the more money you had and therefore the more taxes you ought to be able to pay. I think it is carried on to the present time, though we all know, Mr. Speaker, that it has largely disappeared.

When we carried on the idea of taxing the people's homes for their services, they carried it on to the point where in the depression years the ownership of a house unless you needed it to live in yourself was just about the world's worst investment. The house was taxed for all kinds of services which were necessary, educational services, social services, relief, seed grain relief because the farmers' homes and farms were concerned.

These things were taxed instead of the income which was the thing that should be taxed. You will have to agree, Mr. Speaker, that a person with a \$2,000 income, living in a \$2,000 house, is in much better position to pay school taxes than a man with a \$1,000 income, living in a two thousand dollar house.

Far from taking off income tax, as a means of taxation, if I could, I would have income tax as the main form of taxation. If that were true, if we used income tax as the main form of taxation we would have to tax small incomes in order to get sufficient revenue to run the nation. The taxes have been something that wise people have struggled with for hundreds of years, trying to place them, first of all if they were honest people, trying to place them fairly; secondly, if they were politicians, trying to place them where they would raise the least resentment. I am wrong about that, but it is a perfectly natural thing, but there is this peculiarity about taxes . . . Mr. Speaker, far be it for me to accuse anyone, certainly in this House, of not being honest and if that could be inferred from my words I certainly take them back. I said honest people tried to place taxes fairly and if as well as being honest they were politicians, they would try and place them where they would make the least

possible resentment . . . Well, as I was about to say, Mr. Speaker, the taxes seldom rested where they were originally placed. They began with the idea, well we'll tax someone. Most people had the idea, whenever they found out about this tax, can I pass it on to somebody else. The idea is usually to avoid taxation if possible, to put the tax on someone else. No harm in it in a way. A merchant naturally says taxes are a part of my overhead, part of my cost of doing business. I must add then to the cost of the goods and so he adds them to the cost of the goods and they become an indirect tax on the person buying those goods. If the tax is placed on land and it becomes settled on the land, it becomes a sort of perpetual rent, a rental that must be paid annually out of the produce of that land.

When you are buying a farm, Mr. Speaker, you usually, if you are wise and you would be, look at the tax rates on that land. You find out that it is highly taxed and you say, well if I buy that farm I'll have certain advantages, but I will have a high tax rate. If I buy some other land it is a lower tax rate and so the buyer of the land, to a degree, avoids the taxation by buying the land that is cheaper, because of the fact that it is highly taxed and that sort of tax becomes a sort of capital tax. But I will say this, Mr. Speaker, that as far as our country is concerned, the passing on of the land tax is one of the most difficult of all because it has to be paid from the production of the land. The produce has to be sold on the markets of the world in competition with the produce of all the other farm land in the world. Therefore, the owner of the land just finds out that he has to pay the tax on the land, that he can't pass it on to anyone else.

But the income tax is not a tax that can be passed on, because it is not placed on the individual until after he has earned the money. Now some people argue that the consumer, because of the fact that they pay an additional tax to the merchant when they pay the merchant's taxes, some people argue that the consumers pay all the taxes. As a matter of fact, I think it is a fair statement to say that all taxes are a contribution from the productive laborers, made to the upkeep of the state. Production is the only thing that can be taxed successfully. Some people argue against income tax and say that you are putting a tax on industrious people, you are taxing them and you let the lazy people off, the people who won't work. But, Mr. Speaker, it has never been found possible to tax people who won't work, that is people who won't work indefinitely. You may possibly tax people who have had a great deal of money left to them and they maybe don't do any work; those are not the kind of people I am talking about. The people who really pay taxes are the people who have control of money that was earned by work and those are the only people that can be taxed and it is quite proper. When you put it in an income tax you do it in the right way. You put the tax on that people who have received the most income for the work they did.

Mr. Speaker, the only justification that I find for supporting this motion at the present time is that income tax, as we have it at the moment, and in the situation in which we find ourselves, is based on the quotation which I am going to read: "That any tax, for whatever reason, which tends to or does decrease production or which diverts wealth from productive purposes is an injury to the nation and has consequences injurious to the whole people." I do believe, Mr. Speaker, that our income tax at the present time is so unpopular with our people,

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particularly the people in the lower income tax brackets, that they literally refuse sometimes to do a few hours overtime work because it would put them in the income tax bracket and they hate the income tax so much that they don't do it. For the further reason that any person needs, under present conditions certainly \$1,000 and married people \$2,000; and married people with \$2,000 require a great deal larger exemption for children than they are at present allowed. These people really need it and there isn't any possibility that I can see of getting the other burdens of taxation reduced so, therefore, I will support the only possible way of reducing taxation.

Mr. G.H. Danielson (Arm River): — Mr. Speaker, the Member for Canora must have discussed the Resolution from last year. I noted the interpretation that you placed on the Bill in this House last year and I was rather amused and I didn't want to spoil that so I walked out of the Chamber when this particular vote was taken. I was looking at this text of the Votes and Proceedings of the House and I find that on that occasion, Mr. Speaker, there were four Cabinet Ministers that voted against the Resolution of the Member for Canora, which was practically the same only the amount was not quite as large, a little larger than what there is this time. The Legislature requests the Dominion Government to increase the exemption from income tax to \$1,200 for single persons and \$2,500 for married persons. Evidently he is thinking a little like the capitalists all the time.

The Provincial Treasurer and I am sure anyone that didn't know he was a socialist and heard him speak on that Resolution last year, would take him for a real ultra capitalist because his discourse at this time, Mr. Speaker, indicated clearly that he was a real stamp-pad capitalist. However, since then when he commenced to tax the farmers and pile more taxes on them, I do believe he is a socialist.

I said that it was a difference of opinion and there was some reason for all that. He thought perhaps that if the CCF Party became the Government, they might find it a little bit difficult to live up to some of these things. In any case, I don't blame the Party for being of that opinion, Mr. Speaker. I am sure I agree with them on this because if we judge this Party by what they have done since they became the Government of this province, God help the taxpayers in the next few years because they are certain of being soaked and being soaked properly and the end is not yet, Mr. Speaker.

I was very much surprised that our socialistic friends over there didn't go to work and point to some of the states and countries in this world where this particular party holds power. I thought surely they would go to New Zealand, I thought they would jump over to Australia and some of the other countries of the world. They might even go back to Sweden. They were there for five years then they quit and came back some place else but New Zealand and Australia are considered to be the paradise. Of course, they never mention Russia anymore, Mr. Speaker, but for four or five years here there was nothing else but Russia.

Now, I happen to have here a little information which I have reason to believe is true. It came through the daily press from Australia and New Zealand and one of them is dated August 3rd, 1946, and the other one is August 22nd, 1946. One is from Australia — here is what it says in Australia and that now,

Mr. Speaker, is a socialistic paradise. The Labour Party, the Socialist Party there holds power and the same in New Zealand. They say this: Now Australia begins by paying social service taxes at \$330 per year. A person pays social service taxes if he had an income of \$330 a year and income taxes at \$640 a year. A married man with a wife and two children earning \$25 per week pays \$2 a week in social service taxes but no income tax, but if he earns — and I want my socialistic friends to note this because we are not going to the limit taxing people in this province yet, but if he earns more than \$23 dollars exclusive of social service tax he must pay an income tax on it. Now that is the position in Australia and in Canada on the other hand no person pays any income tax.

In Canada a worker earning \$25 a week if he has a wife and family of two children pays practically nothing. He gets an average of \$6 per month of family allowance for his children and starting next year will not pay any income tax until he is earning over \$30 a week, while still getting the children's allowance. Now that is the position in Canada.

Now we go to the very place in the world where we claim we have a real socialistic government and my friend from Watrous, you know, every time he speaks on the floor of this House, Mr. Speaker, he refers to New Zealand, a socialistic paradise. Pardon me, Mr. Speaker, the Member for Hanley, I am sorry I made that mistake.

Now, about New Zealand. Here is what the Premier of New Zealand says on answering reduction in taxation with the national business, August 22, 1946, since the new election was, the last election was held in New Zealand. On answering reduction in taxation, Mr. Nash said: "The guiding principle was the encouragement of production. Reduction includes abolition of the profit tax." Now, by all means, my friend if I have ever heard him in this House condemn the Dominion Government, it was for partially reducing the profit tax. But you know these peculiar socialists, they have the habit to reach out and grab and grab and grab. A few days ago, you know, they even went so far as to tell us that we, the municipal officials of this province and everybody else should go out and popularize the education tax.

That is a most peculiar change of attitude on the part of these men from what they were two years, three years ago. They were condemning our taxes and saying that if they came into this House and the Canada Government well then, you know what would happen. There wasn't going to be any taxes. All these things were going to be formed by taxing the big shots; today we never hear a thing about taxing any big shots. There are only the little fellows you are going to tax and which you have taxed and which you will continue to tax because that is the only place where you are going to get some money. You knew it in 1944 and you know it today. You did not have the courage to tell the people in 1944 that was what you were going to do, but you are an example of it before us today.

But in New Zealand, the changes Mr. Nash pointed out include abolition of the profit tax, reduction of the War surtax Act on incomes. That in this country doesn't effect the farmer, I think, Mr. Speaker, if I am correct, until his income is over \$5,000, after that it is a surtax on the income. It is very small to begin with, but it gets bigger as it grows up. Now,

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the surcharge on income tax is 33 1/3 per cent.

Mr. Speaker, may I remind you that in this socialistic paradise of New Zealand we have a 20 per cent sales tax. Now they are removing the sales tax on building materials, clothing and furniture, only a few of them. And now this is what I want to read to my friend from Canora, particularly. It is this: Under the new scale a man with a wife and two children earning the equivalent of \$1,600 a year pays total taxes of \$256. Total taxes of \$256, Mr. Speaker. But he doesn't pay anything in Canada and in New Zealand a man with a family earning \$3,200 pays a total of \$739 taxes a year.

Mr. Speaker, I have been trying to get down to, finding out just exactly what the position is in Canada. I think I can give you what it is. A man with an income under the present taxes as suggested for 1947 . . .

An Hon. Member: — . . . give the Provincial Treasurer any more ideas.

Mr. Danielson: — Well, I may be doing damage here. But nevertheless — he is looking quite pleased, Mr. Speaker, he is sitting there smiling all over. Quite pleased. He can see the shekels running into the Provincial Treasury. In Canada, Mr. Speaker, on a \$1,500 income, a couple with no children pay \$84 a year under the 1947 provision of income taxes. The \$2,000 bracket pays \$118 a year. The first statement I made, Mr. Speaker, is a mistake. The \$1,500 income under the 1947 income tax pays no taxes. The married couple with income of \$1,500, they pay no taxes. If they have a \$2,000 income they pay \$118. But the one mentioned — he made use of the figure of \$3,200, pays \$739 taxes, but in Canada a person between \$3,000 and \$4,000 would pay \$383 worth of taxes.

Now look at the income taxes. There are figures that I would like to draw to the attention of the House. I was very amused when I found that some of my friends who have been used to quoting New Zealand and some of these other socialistic havens on earth didn't mention anything about these things. They were telling us all about Canada and, of course, as usual the fact that we have got to pay taxes due in some large measure at least to these fellows that live in big mansions and so on, in other words the big shots. Now we were promised before the election that the taxes in this province were going to be paid by the big shots, but I'd like to ask this Government this time, and whether they want to answer it now or some other time, to show me where they have been taxing any of these big shots. I have been following up the career and the work of this Government so far as supplying taxes is concerned and I can't seem to remember one solitary big shot that has been taxed in the Province of Saskatchewan that wasn't taxed before.

Mr. Howe: — How does the indirect tax compare in New Zealand and in Canada on an equal basis of income?

Mr. Danielson: — Well, I am glad he asked me that question because I would have forgotten it. But he didn't. In New Zealand a person has \$3.60 registration fee to pay, that's the first thing, whether

he has any other taxes to pay, that's the thing. It is something like poll tax that the Premier said, what he called the same as your hospitalization tax I guess. It is something like the pool tax. There is a sales tax of 20 per cent, but as Mr. Nash tells you here, after the last election that sales tax had been removed — now I want to be fair to my hon. friend — on three things. He said that the sales tax on building materials, clothing, furniture had been removed, but on everything else there is a sales tax of 20 per cent in New Zealand — 20 per cent. There is a tax on beer of 9 cents a pint — again, Mr. Provincial Treasurer I hope you don't take it as a hint to you — 9 cents on a pint of beer. If you drive a car you pay 25 cents a gallon on your gasoline and if you own a radio, Mr. Speaker, you pay \$6 a year for that radio. Now those are some of the things you get for living in a socialist paradise like New Zealand.

Mr. Valleau: — Sir, I am curious about the source that you are quoting from because it is listed in cents and since New Zealand uses the pound system, I am wondering what the source is and what the rate of exchange they figured it on.

Mr. Danielson: — Well, Mr. Speaker, Mr. Nash's statement and the statement in regard to that is quoted from the news press, from the Associated Press. And this statement I am reading now is taken from Hansard — quoted in the House of Commons.

An Hon. Member: — Who is it?

Mr. Danielson: — Well, I don't think I have to tell the hon. gentleman who it is, but it was a man who knows and that is Mr. Reid. I can say this, that during the last election when the CCF were telling how terribly burdened with taxation the people of Saskatchewan were, that some of us took the liberty to satisfy ourselves in regard to the 20 per cent sales tax in New Zealand and we contacted the proper office in Ottawa to get that information. I have the telegram right in my possession — not here on this desk, Mr. Speaker, but I have it at my home in the hotel, so I know that is true.

An Hon. Member: — What about the letter from the Commission, the New Zealand Commission at Ottawa, contradicting the wild and irresponsible statements made by Mr. Gordon Ross with reference to taxes in New Zealand?

Mr. Danielson: — Well, Mr. Speaker, I am mentioning Gordon Ross and the Minister doesn't need to throw in any other things than what I mentioned. I am absolutely sure that any figures given by Mr. Gordon Ross after travelling over New Zealand and Australia for several weeks — I have his statement — the little pamphlet which deals with these two countries — and I would say, knowing Mr. Ross as I do, that there is nothing in these pamphlets but the truth, regardless of what the Premier says.

Mr. Douglas (Premier): — The point, Mr. Speaker, to be quite conservative, Mr. Speaker, I was asking him what the Commissioner from New Zealand said, not what I said.

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Mr. Danielson: — Mr. Speaker, the Premier said this: he referred to the irresponsible and extravagant — something like that — statements made by Mr. Gordon Ross. I didn't refer to Gordon Ross — I had not and I am not doing so now; but the Premier is not going to get away with that statement because I have absolute confidence in anything Mr. Ross published in regard to his trip over to Australia and New Zealand, in the company of the rest of the Members of the Federal House.

Mr. Valleau: — You were quoting the taxation rates — this is referring back to what you said a moment ago — the taxation rates in New Zealand and I am trying to get a fair basis of comparison. There are three things that enter in: first, the relative exchange rates; secondly, the fact that the conditions are different in the two countries and third, the actual cost of living in New Zealand and the services given for the various taxes. My question is, Sir: has the Hon. Member any statistics to give us on the cost of living in New Zealand or any figures to give us on the actual services provided by these various taxes?

Mr. Danielson: — Mr. Speaker, I think the exchange rate on the New Zealand pound and Australian pound is \$3.60, approximately \$3.60; they may vary a little up and down. So far as the comparative rates are concerned, everybody knows this: you can take the price you pay in New Zealand, you can take it on the exchange — on the Canadian basis on the Canadian exchange as with the Australian or New Zealand pound — or you can take it in bushels of wheat, you can take it in dozens of eggs, or pounds of butter or hundred pounds of biscuits and they come out exactly the same way. That has been threshed on the floor of this House before. There is no quibbling about these things, that has nothing to do with it. The fact remains that the taxation in New Zealand is far, far beyond anything that we have in Canada today; and particularly, Mr. Speaker, on the low income tax men in the low income tax brackets. There is no question about that; and the same things applies to Australia.

That is the situation, so I have no objection to this Resolution. I don't think it will do any harm, and no good, because I am convinced that when the next budget comes through there will be a substantial reduction in income tax. There might be two ways — reducing the rate of taxation and probably raising the income exemption levels. I am not so sure but what my friend from Qu'Appelle-Wolseley is on the right track. I think this: that if this country is going to carry on the social services which we expect it to do and which this Government is always asking Ottawa to do, I think it is only a matter of time, Mr. Speaker.

I know this, Canada as a whole must be able to come to some sort of an agreement, before the program which has been outlined, not only now, but even before 1944, will be implemented. I don't think that is held up by the Dominion Government; I believe it is held up just because we have nine provinces in Canada which have been unable to agree on the program — whether it is political questions or not that prevent it, I am not able to say. The fact remains that of nine provinces, only seven, I think, have indicated their willingness to agree to certain matters. We had the statement, just a few days ago, that when all the nine provinces in Canada are prepared to agree to certain

things, then the overall plan of social services which has been outlined by the Dominion Government will come into operation in co-operation with the provinces.

I have nothing against this Resolution. I am going to support it because it is in line with the tendency of the Dominion Government. Most of us are forgetting, Mr. Speaker, that the Dominion Government is the only government in Canada, so far that has really made a serious attempt to reduce taxation. It has reduced taxation. It has reduced taxation in the last two Budgets and is still reducing taxation. This Government here has increased taxation. Every session — there has never been a move in this House for the last four sessions, including the first session — that there has not been an increase in the taxation burden upon the people of Saskatchewan. And today you are going to get it worse than ever. They are asking for more than they ever did before.

That is the situation. The Dominion Government is cutting down taxes on the people. This socialistic Government is increasing the taxes on the people and as a farmer, I know whereof I speak, because I know that my operating expenses and my costs in taxes on land, taxes on certain items that I need to use in my farm operations and all these things, has increased the cost of operation on my farm to a very considerable extent. Some time we might go into detail and say really how much and I am sure my friend over there won't like it at all. Mr. Speaker, I am going to do it some of these days. I shall support the motion.

Mr. Howell: — I wonder if the Hon. Member would answer another question? How does the Budget at Ottawa before the War in 1939 compare with the peacetime Budget of 1946 or 1947? Well, you say the taxes have been reduced at Ottawa all the time. I am just wondering if you are right.

Mr. Danielson: — I might ask another question and answer it. How does the Budget of your Government now compare with the Budget three years ago? Now, that is more than doubled, pretty near doubled. You get practically as much cash money from the Dominion Government in subsidy as the income this province had a few years ago.

Mr. M.H. Feeley (Canora): — Mr. Speaker, the Hon. Member for Qu'Appelle-Wolseley really made clear to me the term, setting up a straw man. He set up a straw man and he proceeded to demolish it very effectively. At the very beginning I quoted and for the benefit of the Hon. Member for Arm River, I think I should read my quotation. I said we are not necessarily laying down CCF policy in this Resolution, but are suggesting action that we feel is justifiable under present conditions. We are talking about New Zealand; we weren't attempting to make a comparison there. We tried to confine this to the situation as it exists in Canada today. I think that is a fairly sensible thing to do when you are making a request of the Dominion Government for something that you hope to be implemented immediately.

Now, I did not attack the principle of the income tax at all. I am a firm believer in that principle and therefore I can't see why the Hon. Member for Qu'Appelle-Wolseley found it necessary to sort of defend that in principle unless he was just

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explaining why he was going to vote for the Resolution. The fact is that the criticism that I have of the income tax as it is today is not on principle at all, but I believe that it is a sound principle that people should not be expected to pay taxes until such time as their income will provide with sufficient to enable them to have the minimum standards of living, enough to keep themselves in food and clothing and decent shelter. I think that up until that time they shouldn't have to pay any tax. Now the Member for Qu'Appelle-Wolseley mentioned that it was a bad idea to be tax conscious and I agree with that, Sir, but there is such a thing as being tax unconscious and we have pretty near reached that point in as far as the Dominion Government taxation is concerned.

I want to pay the Member for Qu'Appelle-Wolseley a compliment; I want to return a compliment that he paid me the other day. He said, in discussing a little speech that I had made, that what I said was the bunk, but I made it sound good. I want to return that compliment, Mr. Speaker. He does have the ability of making what he says sound good even if there may not be so much in it.

The hon. Member for Arm River quoted the taxation in New Zealand and Australia. I think that in considering taxation we must consider the social services that are provided. In other words, we must consider what is done with the tax funds. Social services provided through taxation become a part of that standard of living. We insist that there must be a minimum standard of living. Now if you leave it as has been done in Canada, if you leave it to the individual to protect himself against possible sickness, accidents and all those other things that they are protecting, that the government is protecting or rather that the people on the whole are protecting themselves individually against in New Zealand, that is a different situation, an entirely different situation. When you attempt to compare it, the amount, the dollars and cents that the people of New Zealand pay with what we pay in Canada without at the same time making a comparison of the social services that are provided by that province, then we make ourselves ridiculous.

Taxes, we submit, are a method of financing services collectively that would be difficult, if not absolutely impossible for us to finance individually. If you carry the theory of the Hon. Members opposite to the limit then there should be no taxes at all and therefore no government at all. We recognize the basic principal of our Government is that we collectively organize ourselves for the purposes of protection, for the purposes of financing the educational system, the education of our young people, for the purpose of providing for ourselves roads and those various other things that we simply cannot provide for ourselves individually. Therefore, all this talk and I think as a matter of fact it is time that we eased off a little bit on an attempt to continually convince the people that all taxation is necessarily bad, necessarily the usual thing. Tax money if it is well and wisely spent, as it is being spent today in Saskatchewan, Sir, is a mighty good thing. The tax money that is being raised in this province by the Provincial Government today and spent on behalf of the people of this province is the very best spent money that we have spent here. So I am very glad that we are going to get the unanimous support, Mr. Speaker. I just wanted to make these few remarks to put the record straight for the Hon. Members who have spoken against the Resolution and

we are going to vote for it.

Motion agreed to.

**ADJOURNED DEBATES
RESOLUTIONS**

**RESOLUTION RE — ENACT LEGISLATION ESTABLISHING MINIMUM LABOUR
STANDARDS**

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. A.T. Stone (Saskatoon City):

That this Assembly respectfully urge the Government of Canada:

1. To take such steps as are necessary to have the British North America Act amended to vest in the Parliament of Canada jurisdiction to enact legislation establishing minimum labour standards throughout Canada.
2. Upon the coming into force of such amendment, to enact legislation establishing minimum labour standards throughout Canada which are at least as high as the fair and progressive standards already established in Saskatchewan.

And the proposed amendment thereto, moved by Mr. Patterson, seconded by Mr. Danielson:

That all the words after “establishing” in the third line of paragraph (1) be struck out and the following substituted therefor: “a National Labour Code;” and

That the word “Saskatchewan” in the fourth line of paragraph (2) be struck out and the following substituted therefor: “in any Province in Canada.”

And the proposed amendment to the amendment, moved by the Hon. Mr. Douglas (Weyburn), seconded by the Hon. Mr. Williams:

(1) That all the words after “therefor” in the second line of the first paragraph of the amendment be struck out and the following substituted therefor:

“minimum labour standards of national application relating to wages, hours of labour, holidays, age for employment, and all other labour matters for which quantitative standards can be set, and to give the Parliament of Canada exclusive power to enact legislation relating to trade unions, collective bargaining, unfair labour practices and the settlement of labour disputes.”

(2) That all the words after “therefor” in the second line of the second paragraph of the amendment be struck out and the following substituted therefor:

“in Saskatchewan or, should fairer and more effective standards be established elsewhere in Canada, as fair and

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as effective as such other standards.

The debate continues on the sub-amendment.

Mr. A.T. Procter (Moosomin): — Mr. Speaker, in rising to say a few words in connection with this Resolution, may I say at the outset that I would have preferred the amendment to the Resolution rather than the amendment to the amendment because I have found that to leave a question of this sort in the widest possible terms is the wisest thing to do. The amendment to the amendment makes very little difference in the meaning of the Resolution as originally amended, but does name certain phases of the labour situation which could very well have been left in the wide terms of the original amendment, proposed by my Hon. Leader.

Well, Sir, a national labour code is a thing greatly to be desired in the Dominion of Canada. There has been a considerable change in the attitude of the ideas and ideals of labour and of every other class in the Province of Saskatchewan. It has always been my belief and the belief of the party which I have the honor to represent, that the best good of every class of the country can be best attained by a unity not only of area, but by a succession of policies that take into consideration the needs, the aspirations and the desires of all the different groups of the country.

It is not, Sir, a sound policy for a government to set labour against the farmers or the farmers against labour; the manufacturer or the employer against the employee. The thing that will make for the greatest good of every individual class is something that will spread over the whole Dominion of Canada and will bring to each class in the Dominion of Canada their fair and proper share, not only of the national income, but of those advances in social services and benefits which we have seen steadily increasing throughout the years.

It is, therefore, with a good deal of pleasure that I find a motion of this kind coming up, which tends to stop the flow of disunity that has hitherto characterized the dealing, particularly in this province, with the subject of labour.

May I say to you, Sir, that a failure of the crop in the Province of Saskatchewan is almost as great a calamity to the industrial workers in the Province of Ontario as it is to the farmers of Canada themselves. May I say also that when we have an unfortunate situation such as we had a short time ago, of a long, protracted and costly strike among the industrial workers of Ontario, it is a calamity to the farmers of Saskatchewan, not to one class or the other, but the whole of the Dominion of Canada. Therefore, when we approach this whole question from the point of view of a national labour code we are, in my judgment, approaching it from the proper angle.

Now, some attempt has been made in this House, from time to time, to discredit the achievements and the benefits in connection with what may be called one type of our legislation — labour legislation — and may I say first of all that, as I pointed out some time ago, in the earlier period of the Government of this province, the aims of labour itself were very much different to what has been the aims of labour in later years. For many years before I became a Member of the Government of

the Province of Saskatchewan and during the whole period that I was a Member of the Government, it was the custom for those recognized as labour leaders to meet the Government of the province to discuss their problems as they concerned, particularly, labour in the Province of Saskatchewan and to make certain suggestions and recommendations in connection therewith. I think that the record of the statutes of the Province of Saskatchewan will show how earnestly and how much was done along those lines.

If you, Sir, will turn to Volume 3 of the revised Statutes of Saskatchewan for 1940 you will find there in the index a series of chapters dealing with labour and wages and labour problems commencing with Chapter No. 294 and finishing with Chapter 312. I do not propose to deal with each of these Acts separately, but in order to convey to this House some idea of the complexity of the problem, some idea of things that were being asked for in those earlier days by labour in this province, reference to a few of the statutes will suffice. There is the Master and Servants Act; the Coal Mining Industry; Mechanics and Wage Earners; Threshers' employees; Workmen's Compensation; Industrial Disputes; Industrial Standards; One Day Rest in Seven; Weekly Half Holidays; Employment Agencies; Female Labour; Minimum Wages, and so on; and 312, Freedom of Trade Union Association.

Now, Mr. Speaker, as I have pointed out, during that earlier period in the Province of Saskatchewan the just and proper aims of labour were devoted to a different line, if I may say so, than has of more recent years become the thing which has been sketched. The first time the labour in the Province of Saskatchewan asked for an Act comparable to The Trade Union Act was in the year 1938. Now, I do not propose to deal at great length with that Act, Mr. Speaker. Suffice to say that the Act was prepared by the labour leaders of Saskatchewan after discussion with labour leaders in other provinces. There were three great principles in that Act; first, the Act covered the right to organize; secondly, it covered the right to bargain collectively and thirdly, it protected labour from intimidation for so doing. That Act was passed by the Liberal Government of that day in the terms of the opposition that was put forward by labour and was the first statute along those lines in the Province of Saskatchewan. Yes, and one of the first in Canada.

Now, Sir, what was the situation thereafter? Perhaps first I should say this — that some time after that Act, reference was made to the Estevan strike in this House. Now, there were two strikes at Estevan, one when the co-operative Government of the late Mr. Anderson was in charge of the Government of the Province of Saskatchewan and the later one when this Government was in charge; and may I say this — that I myself had something to do particularly with that second strike. At the time of that second strike, it so happened that the Attorney General of this province was absent for an extensive period in Ontario, and amongst my other duties I had assumed the duty of Acting Attorney General and it was as a result of my own advice to the Government that eventually the Mounted Police were sent into the Estevan area.

I would like to call the attention of this House to the difference in those two strikes. In the first one there was riot and bloodshed and death. In the second one there was peace, there was a gathering together of the different parties in

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conference after conference in this building, in which the Hon. Leader of the Opposition and the Members of the Cabinet, including myself, took part. The matter was reasoned out in a fair and reasonable way and brought to a happy agreement.

First, let me go back for a few moments. Reference has been made to the fact that the Royal Canadian Mounted Police were put into the Estevan area. I well remember that the employers at that time sent delegations up here asking that the Mounted Police should be put in there with all the force and under conditions such as might have — and probably would have — caused trouble as it did in the first strike. I remember being castigated in a way that I am not accustomed to take and only the gravity of the situation prevented me personally from resenting in unmeasured terms some of the language that was used to me as Acting Attorney General because I had refused to put into Estevan the police until such time as conditions there warranted it. It was plain and it is always plain, that outside of the two parties involved in any strike there sits an unseen judge and jury, the general public, whether it be of the Province of Saskatchewan or whether it be of the Dominion of Canada.

I care not, Mr. Speaker, how strong on the one hand the employers and associations may be, or how strong on the other hand the unions involved may be; the strength of labour is, and always will be, the backing of public opinion in the country in which these differences take place. And the day that either of those parties loses that backing of the consensus of public opinion outside of the dispute, in that same day the party has lost the contest in which they are engaged; and I say to you, as I have said before, Mr. Speaker, that there are more than two parties involved in all these labour disputes. There is, on the one hand, the employer or manufacturer or what have you. There is on the other hand, the group of labour; but standing aside there is the general public of the province or the dominion as the case may be, and in the final result it is they who pay the shot, regardless of what happens to the dispute. Therefore, when anything can be done by this House, or by the Federal House, that will bring about a happy ending to these disputes, it is because of those things that the justification for interference comes into the picture.

Now, Sir, I think the Estevan strike — I carried it to a certain stage — I think that it was an excellent illustration of what took place. There were two groups contending there in that field. The Government of the day — the Liberal Government of this province — acted as a group mediator between them. Conference after conference was delayed and postponed. I well remember that. At times the picture looked black and looked as though there could be no settlement. But in the final result, by patience — and I give to the Attorney General of that day, now his Lordship Mr. Justice Estey, the greatest credit, because during the course of office he returned after the action I have spoken of — and I marvelled at the patience with which those negotiations were conducted in the face of the greatest difficulty. It is idle for any man in this House to tell me that that settlement was not an excellent and a beneficial and a good settlement. There were all the elements there to make all the trouble that could be. There were two unions contending for the field — both of them out, regardless of anything, fighting perhaps more bitterly between themselves than they were fighting the employers' association. There was every element that has led to trouble and bloodshed and strife, but reason and

counsel prevailed; and they were brought to agreement and everybody was satisfied; and there has been less trouble — in fact there has been no real trouble — in that field from that day on. When my hon. friend the Premier and others from that side of the House, get up to talk about the labour troubles and about having been against labour, Mr. Speaker, we are justified in resenting it. We are justified in saying that we went through that situation; that as a result of our efforts there was a settlement there that has made for quietness and peace in the Estevan field to an extent that never was in this province before.

Let us go on — that was not all. I think it was in the year 1943 that there — and remember that the picture of the ideas and ideals of labour were changing — they were asking more for legislation after the manner of The Trade Union Act, and an Act had been passed out in British Columbia which was considered, at that time, as more or less of a pattern along the furthest lines that trade unionism had gone; and a copy of that Bill was secured by Mr. Geo. M. Baker, the labour member for Moose Jaw, a man who has never received in labour circles the credit to which he was entitled in the Province of Saskatchewan. That Bill was brought in by him in the House. Oddly enough, that Bill was not in its terms acceptable to the different groups of labour; it was certainly not acceptable to the employers' interest and there was a good deal of criticism of the Bill from the general public. I have pointed out to you, Sir, that the strength of the back of labour in this province, or wherever it may be, is that they retain the confidence and support, not only of the men in the Union, but of the general people of the province. And there was a great deal of criticism. The Bill was discussed. It was not rejected by the Liberal Government, it was referred to a commission headed by the Hon. Chief Justice Martin, and that was the next step in labour legislation in the province. That commission sat and took evidence in connection with the matter of several months and just about that time there was a new phase in labour developing. War was then pressing on and everybody saw exactly what had to be done in connection with the War effort.

The P.C. 1003 which has been referred to many times in this House, was passed at Ottawa. That constituted a labour code. Labour men of all the different unions — not without exception, there were some few who opposed it — but the great groups of organized labour, the groups of unorganized labour, the general public, employers and all the others concerned in the matter, showed general appreciation and satisfaction of that code as outlined in the particular Order-in-Council 1003; and that came through at the time that the Government of this province was considering the Bill that had been referred to the Martin Commission. It was immediately apparent from the attitude of all parties concerned that the provisions of P.C. 1003 were by far and away the most satisfactory developments that had, up to that date, taken place in connection with labour anywhere in Canada; and this Government immediately adopted that as the labour law of the Province of Saskatchewan.

Now you will find it, Mr. Speaker, in Chapter 95 of the Province of Saskatchewan Statutes of 1944 and the Act itself is very short. I am not going to weary the House by reading the whole Act, but let me say briefly; that that order, P.C. 1003, was attached as a Schedule to the Act. The Lieutenant Governor in Council was given power to amend the schedule as the Order itself might be amended at Ottawa, and it was adopted so far and

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entirely so far, as the legislative jurisdiction of the province permitted us to do so. It was said by the present Hon. Minister of Labour and it has been said by the Premier, that that Labour Code would be abolished with the end of the War. That statement, Mr. Speaker, is made in error and is not correct. There is nothing in Chapter 95 of the Province of Saskatchewan Statutes of 1944 which so provides.

Mr. Douglas (Premier): — Mr. Speaker, on a question of privilege, I do not want to interrupt the hon. gentleman, but at no time did I say that it would end with the War. What I pointed out was and I read the preamble pointing out that it was introduced first as a war measure and pointed out that it was very hard to believe that any government putting this in as a Schedule into an Act intended it to stay on the Statute Books five, ten or twenty years. But at no time did I say that it would expire; as a matter of fact I said the opposite. I said that, technically, it was quite true that as a Statute of Saskatchewan it would continue whether the War ended or not.

Mr. Procter: — Well, as the Hon. Premier, I must accept his statement under the rules of this House. I can only say that the language that the Hon. Premier used was most unfortunate because insofar as I myself am concerned, and insofar as several of those with whom I have discussed this matter are concerned, the Hon. Premier succeeded in creating the impression, by his words — which we can only deeply regret — that the Schedule to the Act and that the whole Act, would be abolished as soon as the War was terminated; and the Hon. Minister of Labour of this Government made the direct statement in this House, Mr. Speaker, to that effect.

An Hon. Member: — Might I ask when?

Mr. Procter: — The first time you introduced the new Trade Union Bill. That, as I say, was unfortunate, that an impression was allowed to go out to this province that that was the situation. That was not the situation; that was a general labour code that had received expressions of satisfaction and that worked satisfactorily.

A new era was beginning to arise in the relationship between the two different parties and may I refer you, Sir, to the new Charter for labour and management, dated April 13, 1945, that was worked out in that great country to the south of us, signed by William Greene, President of the American Federation of Labour, Philip Murray, President of the C.I.O. and Eric A. Johnston, President of the United States Chamber of Commerce.

Now, I will read just the preamble — not the whole thing. There are only two particular paragraphs and half another one that I want to read. But if any of the hon. gentlemen want to see it I will be very glad to produce it. It refers to the question of labour and management at that time, signed by those men to whom I have referred, who I think nobody will deny are probably the greatest labour leaders in the world — and the position of Eric A. Johnston in the United States, as representing the employers of the United States, has never been questioned, and this is the first paragraph of that document:

We in management and labour firmly believe that the end of

this War will bring the unfolding of a new era based upon a vast, expanding economy and unlimited opportunities for every American.

Those words could well be applied to Canada, Mr. Speaker. Now let me quote to my hon. friends opposite, the No. 2 of that agreement, signed by those men:

The rights of private property and free choice of action under a system of private, competitive capitalism must continue to be the foundation of our Nation's peaceful and prosperous expanding economy. Free competition and free men are the strength of our free society.

And No. 3:

The inherent right and responsibility of management to direct the operations of an enterprise shall be recognized and preserved so that enterprise may develop and expand and earn a reasonable profit. Management must be free as well from unnecessary governmental interference or burdensome restrictions.

Remember, this isn't any employers' association that was speaking, Mr. Speaker, this is the document signed by Wm. Greene, President of the American Federation of Labour and Philip Murray, President of the C.I.O.

Mr. Valleau: — May I ask the Hon. Member a question, Mr. Speaker?

Mr. Proctor: — Yes, certainly, Mr. Speaker.

Mr. Valleau: — Would the Hon. Member attribute the remarkable freedom from strikes in the United States to that statement?

Mr. Proctor: — No, Mr. Speaker, I wouldn't — I am just coming to that and my hon. friend won't like it so well when I get there. I want to finish first the rest of the quotation from this. This was a statement of those men. This was a statement of leadership that might well have been followed throughout the world. We also agree that we have a common, joint duty in co-operation with other elements of our national life and with government, to prepare and work for a prosperous and sustained peace. Perhaps the next paragraph should also be read:

In this spirit we agree to create a National Committee composed of representatives of business and labour organizations. This committee will seek to promote an understanding and sympathetic acceptance of this code of principles and will propose such national policies as will advance the best interests of our nation.

Mr. Valleau: — Mr. Speaker, if the Hon. Member will permit a question. Could he tell us what legislation was in effect in the United States when that meeting was held and when these leaders prepared this statement?

Mr. Proctor: — As my hon. friend knows very well, there are many different

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labour laws in the United States, part of them federal, part of them state. Now, in the different states there is a different law in every state. Just in that connection, may I say that today I believe there are 11 states where the closed shop is barred by law. That condition has arisen and the number has increased due to something that has come forward and which I want to cover for the Hon. Member who just asked me this question.

After that time, there arose all the impact of war, of danger to our respective nations and everything looked black. Men were afraid to approach these questions in the spirit in which they should be approached. That, Mr. Speaker, was not the spirit in which The Trade Union Act of the Province of Saskatchewan — that special section — was passed. Let me say this to you, Mr. Speaker, had that approach been continued there would not have been the strikes my hon. friend the Member for the British Area, has questioned me about. But new influences came into it. There were those who, for political advantage, those who for national advantage and for their own economic assistance, sought to undermine the spirit that conceived the charter which those men had signed on April 13, 1945, and so it spread. Individuals gaining control of particular unions sacrificed the interests of labour itself and of the general public in conflicts with other unions. Politicians sought to use labour. The whole labour question was more or less thrown into the arena of political conflict.

An Hon. Member: — Mr. Speaker, on a Point of Privilege, I would suggest that the Hon. Member for Moosomin is getting far afield and no one can object as long as . . .

Mr. Proctor: — Point of Order, Mr. Speaker. What is the privilege?

An Hon. Member: — The Point of Privilege is that . . .

Mr. Proctor: — Mr. Speaker, speaking on a Point of Privilege, that's not a Point of Privilege at all. I can understand that the Hon. Minister of Labour doesn't like to hear these things said. It is time they were said. I think the House knows now that I don't mind interruptions, but it seems to me that there is a deliberate attempt being made here to interfere with my speech, but I will permit the question.

An Hon. Member: — Mr. Speaker, I did not make a deliberate attempt to interfere with the speech.

Mr. Proctor: — Go ahead with your question.

An Hon. Member: — I was wondering — you made the statement that certain individuals or interests were using the labour movement to further their political purposes. I was wondering if you would care to name the individuals?

Mr. Proctor: — Well, Mr. Speaker, I will go further than that for my hon. friend, I will say that there are two distinct groups — one is these Communists, Labour-Progressive and so forth and

the other, in this particular province is the CCF.

An Hon. Member: — You started out with the United States.

Mr. Proctor: — Just as the CCF Party took from the co-operative movement the word ‘co-operative’, which had nothing to do with the political principles. Just as they bored into the co-operative party in an attempt to delude those co-operative members who knew no better that the CCF had something to do with co-operation in the Province of Saskatchewan; so in connection with labour they bored into the labour union and created in the ranks of labour itself, in this province, in an attempt to put labour into the political field under the guise of the CCF.

As I said before, the strength of the labour movement has always been the fact that the Liberal Party has recognized that labour is one part of our political economy just as farmers are part of our political economy and fishermen, and all other primary industries, and those employed in primary industries are a part of our whole political economy; that in order that one must make profit, all must profit and I say that it was regrettable that in this province where there has been so little labour trouble, or labour disputes, there should have been an attempt to separate into class groups. That is the sort of thing I have in my hand — a thing that was mailed to me today — “We Fight for Socialism” by Nelson Clark. I think that every Member of this House has had a copy of it, in which Mr. Clark twines his loving arms around the neck of the CCF although the CCF . . .

An Hon. Member: — No, he does not. Oh, no he does not.

Mr. Proctor: — Oh, yes, yes, yes. My hon. friend the Premier has not read it, for you will find all through this speech how lovingly Mr. Clark is wooing them and how little difference there is between Mr. Clark and the Premier. Just opening this by chance . . .

An Hon. Member: — Wishful thinking.

Mr. Proctor: — Opening this by chance at almost any paragraph, where does the CCF stand: “The delight of these considerations. We must judge the CCF Government of this province and so on — it should first be said that the present Saskatchewan Government enacted a number of commendable, long-overdue, reforms.

An Hon. Member: — Go ahead with the rest of it.

Mr. Proctor: — He . . .

An Hon. Member: — He was campaigning for McKenzie King two years ago.

Mr. Proctor: — Oh, yes, yes, but he found McKenzie King cold to his advances and he liked better the . . . Mr. Speaker, but may I point out to you, Sir, that it is these gentlemen of the Opposition, who do not like to hear me, who wooed me from the true path on which I was debating the Resolution. I go back now to the point that I was making, that is . . .

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An Hon. Member: — I rise to a Point of Privilege.

Mr. Proctor: — I confess that, as usual, I am totally unable to understand the mind of the Hon. Member for Canora, Mr. Speaker. If he has a mind, I cannot tell what his interruption was about. Mr. Speaker, I was pointing this out when I was so rudely taken away from the path I was following, by these interruptions. There is not one class that should be set against another, the true statesman — like policies of government — will disclose that it is only through the advance of all groups of society that any one group of society can succeed and profit. Now, Sir, the moment that an Act is introduced and you will remember I proposed, Mr. Speaker, I am going to deal with another branch. It is almost six o'clock now, if you would call it six o'clock.

Evening Session.

Hon. T.C. Douglas (Premier): — I denied that and my hon. friend was kind enough to accept my word, but I said at the same time that it was too bad that I had made my statement in such terms that everyone on that side of the House misunderstood me. I have here the record of what I said and I would be glad either to read it to the House or pass it over to my friend. The record of the dictaphone shows very clearly what I said and it is here as a matter of record.

Mr. Proctor: — Speaking on a Point of Order, Mr. Speaker. I may assure my hon. friend, the Premier, it was not what he said now that I was referring to. It was what he said at the time of the legislation that was first introduced in the House, in the second session of 1944, in connection with the Trade Union Bill. There was a discussion at that time and you will remember, Mr. Speaker, that it was at that time that we, on this side, understood that the Minister of Labour made a direct statement and the Premier, if he did not say that, led us to infer the he was of the same opinion.

Mr. Williams: — It is quite possible that I did say two and a half years ago, but I will come to that a little later, Mr. Speaker.

Mr. Proctor: — Now, Mr. Speaker, when the House closed at six o'clock I had traced the history of labour legislation in this Province of Saskatchewan, under the party in which I have the honor to be a member. I have dealt with the hopes of the labour leaders, not only in this country but in the United States for the phase that was to rise after the War was over and we had again entered upon peace.

I have given, Sir, what I conceive to be my reasons for the failure of the hopes of those labour leaders and of management as expressed in what was probably the finest statement of policy ever given in connection with labour relations and the managements from which I quoted those paragraphs. Let me say this, that probably the best example of the failure of those hopes was the recent trouble in the United States in connection with the coal industry and the attitude of certain labour leaders there, namely, John L. Lewis, in that conflict.

Now, Mr. Speaker, it is immaterial what may be the decision of the court. I think that it is recognized throughout this continent that the great defeat of the attempt made by John L. Lewis was that it enraged and marshalled public opinion against him and this nation concurred in that expression of public opinion. It was not a defeat for labour, Mr. Speaker, in no way could what happened there be considered as a defeat for labour. It was a warning that the people of a free and democratic nation would not permit that anyone under the guide of union leadership, should set about defying the needs and the laws and necessities of the country and the community. Public opinion would have been equally opposed to any attempt on the part of management or capitalists, or what have you, who had on their side of the argument attempted to do what John L. Lewis attempted to do over there.

It is for that reason that in my opening remarks I made the statement that beyond the strength of labour union in numbers, or organizations, there is a greater strength which comes for the whole nation — that is public opinion and when any party to one of these conflicts takes an attitude which outrages public opinion, in that same hour he meets defeat.

Now, the labour code which I support as a result of this Resolution which I hope will be passed by this House, is one that takes into consideration all those phases of public, national rights of Canada, which we have been considering. A national labour code that deals only with the rights of labour, or of the rights of management, will not be a national labour code that is going to settle the difficulties that we have seen from time to time. There is no one in this enlightened age who questions the undoubted right of labour to organize; there is no one who questions that as a general principle — that right has been recognized. There is no one who will support intimidation. When I say no one, no one that counts who will support intimidation or anything of that kind, or any penalty on men for exercising the rights that are given to them with birth and do not end with death.

On the other hand, a national labour code to be satisfactory must be one that recognizes the rights of labour, the rights of management and the rights of the general public. In all these years we have found who it is that suffers as a result. If management loses, the public pays — if labour loses, labour pays. The public pays, in addition, the cost that labour has paid, plus the cost that management has paid.

I referred this afternoon, Sir, to the fact that in the recent conflict in Ontario, the farmers of this country are today paying the price of that unfortunate labour dispute. Surely, Sir, there can be worked out, in a proper national labour code, something that will cover the whole situation so that these things will not continue for the future. There have been attempts under various acts to carry on control of things like the minimum wage and so forth. I am reminded that right here in this province, quite recently, there was this trouble with the dry cleaners as a result of which some \$5,000 is being paid owing to the facts that labour laws were not being properly and efficiently enforced.

I suggest to the Hon. Minister of Labour in this House that instead of being a matter of congratulation, that after this has been going on for some considerable time, his inspectors found

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that labour had suffered a loss of \$5,000 which is probably the greatest condemnation of the Department and the efficiency of the Department and the efficiency of the Act and the fact that the Act does not work as it was intended to work, that an amount of that kind should not be discovered for nearly two years of operation.

Therefore, I say that in envisaging this new labour code this consideration must be such that these things will not happen. I have no doubt that some of the gentlemen on the other side will criticize my action in opposing The Trade Union Act of 1944, 2nd Section. I haven't changed my views in respect of labour at all.

I challenge any of the gentlemen opposite to show a better record in upholding the just and fair and reasonable demands of labour than my own record. I challenge also the gentleman on the other side of the House to show to me where in an Act that on the face of it deprives the people of the province, be they employers or otherwise, of the rights to carry their claims to the court, is that sense of fairness and justice that will build up the public opinion to which I referred. I oppose that in any legislation brought into this House and I will oppose, Mr. Speaker, just as bitterly, the legislation in favor of management as I did that legislation because there is something in the temper of a democratic family that resents injustice, improper deprivation of those rights that one has and should have and must retain. And I care not that my hon. friends, for the sake of some temporary political advantage, have sought to buy a certain measure of support. There is a sound body of public opinion, sound men with sound judgment, who are perhaps not . . . I will put it this way, a party that was seeking to buy support by legislation of that type. But there is a sound body of reason and judgment that resents even legislation of that kind in their own favor. In this National Code let us have fairness; let us have justice; let us have equal opportunity; let us see that none, no — not even the public — can take undue advantage of any of the others. Let us have something that takes care of the rights of all those three parties that I have mentioned, Sir. That this is the considered opinion of the sound, thinking body of labour is borne out by the attitude of the political action committee of the Trades and Labour Congress; and I want to quote to you, Mr. Speaker, two short paragraphs from the report of the action of that body, quoted in the Leader-Post of May 23, 1945, very shortly after that statement that I quoted from this afternoon as having been approved by the different labour leaders in the United States and management in the United States; and this is what the report gives: "On national unity," the letter said, and I quote:

No great faith can be placed in any group who has no greater claim to fame than the destruction of national unity. There cannot be a greater destruction of national unity than something that tends to divide our people and to take away from labour the greatest thing that it has — the feeling that behind and beyond the union stand a great body of men and a great body of public opinion, who are determined to see that they shall have fairness and justice and equity with all that that connotes.

And further, Sir, let me say this, in reference to the CCF Party, in a statement following a weekend executive meeting oh, pardon me, there is a danger that some new group put

into power at this time would institute policies that might have no relation whatever to the pledges that an overwhelming number of people in this country have put their faith in. Never was the point that I am trying to make, better laid out than in that statement of that political action committee of the AFL when they said, "Some new group trying" to paraphrase the words that I have quoted — "to capitalize on political advantage in an attitude that, in the end, sane men — whatever be their political faith — whatever be their walk in life — realize it can have but the one end."

Mr. Speaker, it was possible in time of conflict and of war to have faith and harmony under conditions and at a time of strain when it would naturally be expected that the very nervous tensions were cause for bitterness and conflict and strike and breakdown. In my humble opinion, Sir, it is possible in time of peace, that if these problems are approached from the angle which I have tried to outline this afternoon, that we may have in times of peace even greater industrial rest and satisfaction. I also say this, that I have heard in this House statements by various Hon. Members that they are not afraid of communist-led labour unions. I have stated my belief in what has been the attitude of the CCF political party as a whole to labour. I say that the industrial peace that I hope for and envisage, can only come so long as the sane, sound element of labour recognizes in these communist leaders and in these totalitarians who would take them down the road to destruction, the fact that it is not in the true interests of labour that they are being supported; that they are seeking simply to use the trade union, paying lip service to it to gain control of it, not with a view to the betterment of labour, not with a view to the betterment of conditions for all the people of this province, but with a view to destroying all that we have built up over the years. It is in the national labour code that I hope to see come as a result of this Resolution, that we will have a code that takes care of all the various ways and means by which these insidious controls have been obtained over those things.

I say to you that the heart of labour today was never sounder than it is at this time. I say also that there are those, shown by that last poll of public opinion, who recognize that there is being exerted on labour influences that have not the true benefit of labour in mind, but these other considerations to which I have referred this afternoon this evening. As that national code takes care of those, so will it be satisfactory; so will we attain the things that we would have.

Now, I have no doubt that after I have concluded my remarks there will be those who with quip and phrase will seek to cover the track that I have exposed. There will be those with a much better gift of words than I to lead these people along the hidden path which they cannot see. But I have faith and a sound and abiding conviction, that only where there is truth and sincerity in dealing with questions of this kind will there be an actual result which is the one that we all hope for; that not only labour but all the other classes of society may benefit in the degree that we hope.

I shall support the amendment.

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Mr. D.S. Valleau (A.S.V.R.): — Mr. Speaker, the Hon. Member has just been quoting the oft repeated sentiment that there will no doubt be others who can speak more eloquently — I am quite certain he wasn't referring to my humble self. But in one respect he reminded me of some Shakespeare that I studied once in high school where Mark Anthony, addressing the Romans said: "Friends, Romans, countrymen, I am no orator as Brutus is, but were I Brutus and Brutus Anthony, ah! there were an Anthony who would move you so the very stones of Rome would rise in mutiny." Those of us who have read Julius Caesar know that Mark Anthony had his tongue in his cheek when he said that. However, it surprised me a little bit to hear my hon. friend going into the matter of the national labour code.

I was quite interested in hearing his summary of the various legislation that has been put on the Statute Books by some mysterious being that he kept referring to as this Government and yet he kept quoting Acts that had been put in prior to 1944 and this Government was not in power prior to 1944. But in drawing his idea of what he conceived to be proper labour standards, he was at great pains to quote a certain statement which was made on March 28, 1945, by various leaders of labour and of industry in the United States. This did surprise me. I would have thought it much more in keeping with our British tradition and with our parliamentary system if he had quoted labour leaders for Great Britain, for example. It is well known that labour harmony and industrial relations in Great Britain are far in advance of those in the States. In Great Britain labour management negotiations are held over a cup of tea and there isn't the same violence that is characteristic of the American labour movement to the south of us. Possibly that is due to differences in national temperament. I think it is also due partly to a difference in the constitutional set-up of these two countries, but also in a large measure to the fact that the British trade unions are acutely politically conscious and realize that their problems as labouring men cannot be settled purely on the economic level. It must be settled on the political level as well. You cannot look at the whole life of a nation without looking at political life as well as economic life.

However, since the condition south of the line has been brought up in reference to a possible national labour code, I would like for a moment to deal with the statement of these industrialists and labour men, drawn up in the closing days of the War on March 28, 1945. I am not going to quote the whole statement because the Hon. Member for Moosomin has just done that, but we should bear in mind that it was the closing days of the War and yet people didn't know that and thought that the War might continue for some time. It was a mobilization of the support of labour and of management for an all out production.

I might remind my hon. friend here that I remember reading the various tenor of the statements put out at that time by Earl Browder the leader of the Communist Party in the United States. Frequently his statements said that the Communist Party in the United States believed that the capitalist system would continue for a very great length of time after the War in the United States and that they have pledged their support to the capitalist system.

Mr. Proctor: — May I ask a question?

Mr. Valleau: — Most certainly.

Mr. Proctor: — Are you not aware that the statement from which I quoted starts out, “this peacetime goal can only be obtained through the united effort of all our people.”

Mr. Valleau: — I didn't say that it was not a peacetime goal. In fact, all those things which people strived for in War time, including conscription and militarization, mobilization, all of these are peacetime goals. Every War measure taken is taken with a peacetime objective and, therefore, a platform drawn up while a war is in progress is naturally a peacetime goal. It could not have any other objective. But what I am pointing out is that at that time the Communist Party which my hon. friend criticizes so strongly, was one of the chief supporters of the very principles which these labour leaders pledged themselves to support.

I have here the signatories of that document; there were 12 members of a committee who signed it. Eric Johnson was the first, Paul Hodsman, Henry Kaizer and various men of that type and then for labour, Mr. William Greene, Mr. Philip Murray and a number of others; Mr. Sydney Hillman and Mr. R.J. Thomas signed on behalf of the United Automobile Workers.

Mr. R.J. Thomas was the signatory of this historic document which was quoted by Mr. Bracken in the last Federal election as being the general labour policy of the Progressive Conservative Party and is now quoted by my hon. friend with great approval. I will read a paragraph from the Saturday Evening Post, February 22nd, 1947. The title of the article was: “Will the CIO Shake the Communist Loose.” In the one particular paragraph it refers to the United Automobile Workers. In the United Automobile Workers, for example, the hard, ambitious George Abbs, the real challenge of Walter Royder's leadership of the UAW, has accepted Communist support with both eyes opened and firmly fixed on the main chance. Whereas his ally, the bumbling R.J. Thomas, whom Royder last year replaced as UAW president, is the perfect type of the stodgy, not immensely bright union leader whose political naivety is smartly exploited by the party.

It is quite evident from this and from recent history that R.J. Thomas while not a member of the Communist Party, and possibly not even a fellow traveller, did owe his position as president of the United Automobile Workers to the fact that he had accepted Communist support. We may infer that this statement giving industry's position and labour's position at that time was a statement which had quite a bit of Communist support.

Personally, I disagree with the statement. I think that it was an error for a labour leader to say that they were bound to support the capitalist system or that they considered the capitalist system had any possibility of solving their problems at the end of the War. I think that labour itself, south of the line, has come to see the error of that position. The Communist Party has lost immeasurably in their public support since the War and the United Automobile Workers themselves at their convention clearly showed their position by getting rid of R.J. Thomas as their president and substituting Walter Royder who proclaims himself a socialist.

The only union leader in the States who has been able

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decisively to challenge and defeat the Communists in the most powerful union in the United States is a man who avows himself as a socialist and isn't afraid to state this and I am quite certain that the only method by which labour in the national field can hope to make progress is by bringing to the front, men of the type of Walter Royder.

Possibly, William Greene would be more acceptable man for me to quote from than Walter Royder. I have a statement of William Greene on this position referring to the labour situation at the present day in the States. This is from "Labour and the Nation," January 5th and February of 1947. I think that William Greene himself is beginning to realize that labour must fight on two fronts, the political front as well as the economic front. He states:

Our way is clear. We must organize our forces, mobilize our influence, exercise our right in industry and in politics. We shall have to sacrifice and build until we shall no longer have to ask as Bobbie Burns so eloquently did, 'If I'm John Lordling's slave by nature's law designed, why was an independent wish ere planted in my mind?'

I would like to quote from Walter Royder as well. I think that Royder is one of the outstanding leaders in the United States today and he has the general policy which can lead to industrial peace. I think that it is one of the few long range visions brought out by labour men which considers all aspects of the case. He is referring to negotiations with General Motors:

Last year our union went to General Motors and said — we believe that our workers are entitled to a certain wage adjustment. We say that this adjustment should be had out of higher earnings of the corporations, not out of higher prices to the consumers. We will scale down our demands or withdraw it completely if the facts show that industry cannot meet it without increasing prices.

He goes on to say that what labour actually wanted was the chance to analyze the company's profit position, to find out whether profits were or were not exorbitant, to find out whether the companies should pay increased wages without increasing prices because his union was firmly convinced that any rise in the price scale would cut the ground out from under labour's feet. It goes on:

The company did not welcome our point of view. General Motors answered in effect . . .

I can't read the rest of this paragraph giving their answer, it isn't parliamentary, but they told the unions to go some place. It ends:

The employers say the labour is irresponsible, while at the same time the companies are denying labour the right to act in a responsible manner.

What I am suggesting here is that this policy enunciated during the closing days of the War, proposed that capital and labour should try to work together. I think that labour kept their part of the bargain in good faith, but negotiations such as those conducted by the United Automobile Workers with the

automobile industry subsequently proved that the employers were not prepared to negotiate in good faith and to carry out their side of the bargain. They have consistently insisted that any rise in wages must be reflected by a rise in prices, thereby destroying any hope of achieving a balanced national economy. It is this attitude on the part of the industry which has convinced many of the outstanding labour leaders that there is no hope of labour securing its just rights under the capitalist system. That is why it is quite clearly observable that the labour unions and labour men are beginning to realize that labour must become politically conscious and must become socialistic.

Mr. A.T. Stone (Saskatoon City): — Mr. Speaker, I would like to say that I am going to support the amendment to the amendment. It seems to me that since I first introduced this motion it has been kicked around considerably. I think at that time I made the remark that organized labour has come to the conclusion that the piecemeal provincial labour legislation was wholly inadequate to bring about national unity and stability in industry. I was amazed that later the Opposition and the Member for Moosomin should try to prove that point. I do believe that the word “Saskatchewan” should be left in and I will try to prove why I think that is so. It is quite true, as the Members on the other side say, that there is an awful lot of labour legislation on our Statutes; an awful lot. As far as I am concerned it has just been so much window-dressing. It has been good at election time and they have fooled the workers for a good many years; but that came to an end in 1944.

This labour legislation which they speak of so highly and which they thought so much of, apparently wasn't so important that they needed to set up a department to take care of that legislation. Labour delegations would often come in here and spend half a day trying to find out the proper Minister to go to when they had any troubles — it might either be under Child Welfare or Public Works, or maybe the Department of Health or perhaps the Attorney General's Department.

That legislation probably was good legislation. It was all right, but it certainly wasn't administered as effectively as it might have been. I have here the annual reports of the Trades and Labour congress and the reports of the Provincial Delegations coming in year after year from 1929 right up to 1940, with the same requests year after year for more teeth in the minimum wage, Industrial Standards Act, workmen's compensation, Factories Act and so on. Nothing was done about it. You can go to the minimum wage — even the meagre \$9 a week which apparently they were so proud of — they didn't have the courage to enforce that.

I happen to know one enforcement officer, who was a lawyer, by the way, and apparently had some idea that he might become a judge at one time — his idea of enforcing the Act was to compromise. If there was possibly \$20 owing to an employee he would take him on one side and say, now I could possibly get you \$10 of that. It would save any embarrassment and the possibility of you losing your job. Then he would go to the boss and sure enough a compromise was made. He thought he was doing a real good job and I have no doubt but that he was, because he did at least salvage half of the money for the employee where possibly otherwise he wouldn't have gotten anything.

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Now I know that the safety first inspectors have been told to get out of factories in this province and stay out; and they knew enough to get out because the employer being a good contributor to the party, would only have to get on the phone and possibly the inspector would lose his job.

Year after year we came down for some settlement in the Compensation Act. I was one that was willing to give up one-third of my wages — one-third of my benefits rather. I believed that the Act was good and I believe that it is good yet. I was getting 100 per cent if I became injured under the old Act. We thought it was a move in the right direction. In one instance it brought thousands more workers under the Act who would not have otherwise benefitted. Also it did help a lot of employees — men who would have been crippled financially had they met a very serious accident.

Well, that was what we thought at the time and we were given to understand by the Government that introduced this Act, that as time went on, as the years went along, that this Act would be improved. But what did we find when the Liberal Party came into power in 1934? Well, we found the very first thing they did was to put the three day absolute savings clause; and we protested year after year. Consistently that same Government refused to increase the contributions of the employers all the way down through to the present years, until it got to the stage that they had to chisel on the injured workers in order to show a surplus at the end of each year. Not one worker was added to that list from the time the Anderson Government came into power. I just want to point these things out, Mr. Speaker, because I believe that this Government has not only added more good legislation, but they have also always enforced that which is on the Statute Books. To my mind, as the saying goes, 'The proof of the pudding is in the eating.' I am not going to say that the Saskatchewan Government in the past has been any better or any worse than any of the other provinces. The same has been true all through the Dominion of Canada; but at last I think the workers of this province appreciate the fact that we are at least trying to enforce the legislation which we bring down in this House. Some mention was made of the Baker Bill. I think the Baker Bill was met very enthusiastically by the workers. We thought it was much in advance of P.C. 1003. I think the most confusion took place right in this Legislature when a Member . . . I said we figured it was. It didn't come in until after — 1003 didn't come in until after the Baker Bill was introduced, but it did come in about the time you were holding the Commission. We believed that it was a better Bill and I contend that the confusion which the Member from Moosomin referred to existed in this Legislature where we had Member after Member getting up and saying they didn't know enough about it to be able to vote intelligently on it and they threw it back in the Law Amendments Committee.

It is rather peculiar how the Members on the other side will condemn anybody else for that Communistic attitude, yet they are quite prepared to lean on these Communists when the occasion arises. The Member for Moosomin was quoting from a political action report of the Trades and Labour Council. Of course he didn't mention the personnel of that particular political action committee. I also say, too, that it is rather peculiar that this committee which was set up in the fall of 1944, did absolutely nothing at all until the eve of the election in 1945. Then they came out with a very alarming statement, telling the workers to get behind the Mackenzie King Government.

The Member for Moosomin might well talk about political bodies trying to buy over labour. I am not going to say very much more, Mr. Speaker. I don't want to get too far away from the motion. I do believe it is necessary that we include this word "Saskatchewan" because, speaking with workers all over the Dominion, speaking with the president of the Dominion Trades Congress, I feel certain that they are satisfied that we are doing a good job here and we are trying to enforce the labour legislation that we have on our books in this province. Therefore, I am going to support the amendment to the amendment.

Hon. C.C. Williams (Minister of Labour): — Mr. Speaker, an immediate check was done on all dry cleaning establishments and it was found that they had been working their employees four or five hours a week longer than they should have since the 22nd of July, 1946; not for two years as has been stated — and I wish to repeat that it was noticed the very first day that the routine form came in.

Now, a few days ago, the Leader of the Opposition stated, during the debate on the original motion, that delegations who used to come in to see them while they were in office — and they were in office a good many years — were always given a courteous reception — I believe he used the word 'courteous', but I will grant that that was the proper word to use as I have been here myself and we always did get a very courteous reception — and were listened to attentively by the Cabinet. I believe every Cabinet Minister in the city came and heard what the delegation had to say and an ample opportunity was given everyone to present their views. I conceded all that and I will go further and say that perhaps we, the present Government, might learn something from our predecessors as to the meeting of some of these delegations. I feel from time to time that we might get a better turnout when they do come.

However, there is this difference. When these delegations came to see our predecessors, they would listen to them attentively and when the delegations came back another year, they would find that little or nothing had been done in between times. I recall — I am just going to mention two or three cases — the joint legislative committee of the railway transportation brotherhoods. They had been coming down here year after year — I have copies of their briefs here that go back as far as 1937. One example is that they were continually urging for the elimination of dangerous level crossings. I don't think there was ever a meeting but what the one at Belle Plain was mentioned. It was considered to be, I think, one of the most dangerous in the province. However, nothing was done about that until last year, 1946. The Department of Highways put an overpass there; I think they moved 190,000 yards of earth . . .

Mr. Proctor: — Mr. Speaker, may I ask the hon. gentleman a question? Are you not aware that the right-of-way practically everything was done to establish the new crossing. All that was left to do was put in the ramp at that particular place?

Mr. Williams: — I don't agree . . .

Mr. Proctor: — Even the right-of-way was bought.

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Mr. Williams: — Mr. Speaker, I didn't know that our predecessors in office had gone so far. They made quite a few plans on paper no doubt, the same as with their medical scheme. We used to come down here advocating for state medicine — that was the heading we used to have — and asking that certain improvements be made to make things easier for the wage earner, but beyond a lot of paper plans we never say that anything was done along those lines. The same with natural resources — we used to make representations as far as natural resources were concerned. We used to make representations that school teachers be given better wages way back in the '30s. We never saw that they were, but I believe it was one of the first Acts of the present Government to set up a minimum — I think it was \$1,000 a year, or \$1,200, something of that kind. I just make a comparison there, Mr. Speaker, and we can draw our own conclusions. We can now go to Moose Jaw without crossing any railways excepting the one just out here a mile or so, upon which there are very few trains. I don't intend to go into detail as far as the Department of Health is concerned or Natural Resources and so forth.

Now, one more example — this committee consistently, year after year, used to ask for a small amendment. It was in Section 8 of the old Freedom of Trade Union Association Act and it required that all unions in the province should file with the Minister their constitution and a list of their officers. The Railway Brotherhoods, six of them, many of them had been in existence for 50 or 60 years, well known all over the North American continent, resented that and used to ask that “when required by the Minister” be put in there — those four words were all that we asked be put in there; but that was never done.

I am just going to read four or five lines — this is the Chairman's Report for the year to December 1941. This is what happened to some of our requests. This is what went out to all the membership from the secretary of this Committee:

You will recall that in making a request for an amendment to the above named Act, that the Hon. Mr. Estey, Attorney General, stated that he did not favor opening the Act for the insertion of a few words which, in his opinion, would not make any particular improvement. That, as the Act stood at the present time, he did not consider it any particular hardship to submit the copies of the Constitutions, etc. as requested.

The Premier stated that they would give further consideration to our request, but I might state that it was decided not to open the Act. Now, that may be a comparatively small thing, but I mention it here.

I do recall, and the junior Member for Saskatoon has spoken of it, in the summer of 1940 in the Court House, the Compensation Board had a hearing. Labour representatives were invited from all over the province and they had a field day there — oh, it lasted three or four days. The Member of whom I speak was there; I didn't know him at that time. But I think he told this House last year that the sum total — and labour went to a lot of trouble and made a lot of recommendations — was that if a workman had his dentures broken in an accident, he would be repaid. That was all that resulted from that long and expensive hearing. I recall quite well that Mr. Donald presided at that time.

The present Government rescinded this particular Act of

which I speak — this Freedom of Trade Union Association Act — in 1944, and replaced it with the Trade Union Act, one which has caused so much controversy both today and on previous occasions and probably will again. But in reference to this feature of the various unions filing with the Department their Constitution, their list of officers and so forth, we have no compulsory feature in there at all. It is purely voluntary on the part of the unions and we are achieving the same result. Someone asked a question about that here in the House the other day. There seemed to be a negative attitude on the part of our predecessors when labour used to ask for things here between the sessions.

The Leader of the Opposition, a few days ago, further went on to say that we were attempting to deprive the Government of that day of the credit to which it was entitled for having passed labour legislation previous to 1944. I think that we should point out that we have never at any time suggested that the previous Government had no labour legislation. Both the Leader of the Opposition a few days ago, and the Member for Moosomin today, have mentioned various Acts; and I am going to come to them in a few minutes. Now I have purposely refrained before this from saying anything about this legislation that we found when we came in; I didn't want to embarrass our friends. But the Leader of the Opposition has seen fit to bring it up and I think that it is only fair that I should make a few comparisons.

The significant point is that we have so greatly improved the labour legislation of this province that there is practically no comparison between the old and the new. Under the former regime, legislation was very mediocre. Our legislation — and I say it without boasting — we consider to be the best anywhere in Canada. Some of the major statutes which the previous Government passed, compared with the present provisions, can hardly be recognized at the present time. The Minimum Wage Act is one and I went to some length a few days ago to make a comparison there which I don't want to repeat now; except to say that this Government extended the provisions of that Act. When we came in there were eight cities and eight towns under it. We extended that and added — I think it was 57 towns; yes, there are 65 altogether. It has been a great benefit to the wage earners in those places.

I just can't resist the temptation. I have a Gazette here dated October 23, 1943 and I am going to look at one or two of the Orders here. \$14 seems to be as high as any one of these Orders went. Here is a sum as low as \$7.50 for the first three months; \$9.50 for the second three; \$11 after that and they could get up to the \$14 a week. Now here is some more, \$8 a week, this is a different group, inexperienced employees, \$8 a week for the first three months; \$10.50 for the next three and \$13 a week after that. I don't want to appear monotonous but I will read just one more: Inexperienced employees \$7; \$9, \$11; that would be for the smaller towns, the eight smaller towns.

One of the first things we did, of course, was to correct that. We corrected it just as far as we could, Mr. Speaker, and went up to 35 cents an hour which is as far as the Federal wage freezing order would permit. We went up to \$16 a week for experienced help (48 hours multiplied by 35 cents an hour and you have your \$16.80); that is as far as we could go. Now a few days ago, when I spoke on the original motion, perhaps I

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didn't make myself clear. The press mentioned the \$16.80 but did not mention the fact that last July we had further orders brought in which made a basic rate of \$18.50; that is the one rate that is mentioned now. We think that is all that we can ask our young men and women starting out in life to take. We expect them, of course, as they become experienced to get more than that, but we do say that \$18.50 is the least that anyone should get and that is a far cry from what it was two and one-half or three years ago, when people were getting as low as \$8 or \$9 a week. There is simply no comparison between the wage orders at present in effect and those that were in effect when we assumed office in the summer of 1944.

The Workmen's Compensation Act is another example. The Accident Fund Act has been improved almost beyond recognition. I don't intend to go into details, Mr. Speaker, I want to have something left when I speak on the Budget next week. But it was an excellent piece of legislation. It was brought in by the Anderson Government back in 1928 or 1929. They had a commission that went all over this province. I don't know how long they were gone. I was living in Manitoba at the time, but I think they were away several months. It is of passing interest to know, perhaps, that the chairman was receiving the modest stipend of \$100 a day.

Mr. Proctor: — Is he referring to P.M. Anderson or J.P.M. Anderson?

Mr. Williams: — I referred to the Anderson Government, the late . . .

Mr. Proctor: — It was P.M. Anderson that put . . .

Mr. Williams: — I might have said the Conservative Government so it's the Anderson . . . We have a two week vacation with pay Act, the only one on the American continent that we know of. It has been mentioned, I think briefly, that our predecessors relegated the labour matters to a bureau. It was off there to one side and I have just forgotten for the moment what Minister was in charge, but I suggest that there did not seem to be anybody in that bureau who had ever had any labour experience before and it more or less just went along from month to month and like topsy it just grew. Now one of our election promises three years ago this spring, was that if we were elected to power we would form a Department of Labour and put a Minister in charge. We did that overnight on the 11th of July, 1944.

I am going to get around to some of these Acts that we have heard about from the Leader of the Opposition and the Member for Moosomin. It makes some interesting reading. I am going to read one or at least a section of one in just a moment. This afternoon the Member for Moosomin mentioned some of the Acts that they had while they were in here. They brought them in, no doubt they did. I am going to read a paragraph or two out of the Masters and Servants Act:

Any person engaged, bound or hired, whether as a clerk, journeyman, apprentice, servant, labourer or otherwise, whosoever, who is guilty of:

- (a) Drunkenness;
- (b) Absenting himself by day or night without leave from his proper service of employment;
- (c) Refusing or neglecting to perform his desk duties or to obey the lawful command of his master;
- (d) Dissipating his employer's property or effects;
- (e) Abandoning his employment by leaving his employer's service before the expiry of the term of hiring without the consent of his employer and without lawful excuse;

shall be guilty of a violation of his contract and upon summary conviction forfeit and pay a sum not exceeding \$30 and costs and default of payment forthwith shall be liable to imprisonment for a period not exceeding one month unless such a fine and costs together with the cost of commitment in conveying such convicted person to the place of imprisonment are sooner laid.

I won't read anymore; that Act, I think, sounds like the early part of the 19th century.

An Hon. Member: — Abraham Lincoln's time.

Mr. Williams: — No, it was long before Abraham Lincoln's time. I think in 1832 was when it was brought in in the British Isles. Prince Edward Island had it first; Ontario had it since 1870; the Liberal Government brought it in, I suppose about 10 or 12 years ago and actually boasted that this was one of their pieces of labour legislation. I must really apologize for having it around here so long. We have been so busy, but we have intended to get rid of it and get the odious title out of it anyway, the Masters and Servants Act. We will try to get around to that next year. Now, the Mechanics Liens, that is a nice little Act — the same as the Factories Employees Lien Act, which gives the employees the preference in collecting their wages. Quite all right.

The Workmen's Wage Act is another little Act which has been in effect since 1870 in England and copied over here. All it says is that the employee is entitled to his wages every week in cash and not in kind. The Industrial Disputes Act and Industrial Standards are fairly good.

One Days Rest in Seven is a very good piece of legislation. I think every province in the Dominion has it. We find that in the early part of 1944, student nurses were exempted by Order-in-Council. As a result we have nurses in some of the bigger hospitals in this province working anywhere from nine to fifteen weeks — that is on night duty, without any day off at all. There was also a provision in there to the effect that certain hotel employees could be given two half days off in the week instead of one whole day. There is a certain hotelman in this city who boasted that that arrangement was arrived at at a meeting in one of the rooms in his hotel. We took that objectionable feature out a year ago.

Weekly Half Holiday Act, there was nothing to that. Towns of over 7,000 get a week and one half holiday in the summer. I think the City and Town Act pretty much made that obsolete. The Female Employment Act is another that was mentioned this afternoon. There is nothing to that; municipal councils can

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regulate the employment of females in restaurants, hotels and so forth. The Minimum Wage Act, I have gone into that. The Freedom of Trade Union Act went into effect in 1938. Now most of those nice little Acts don't amount to very much and have not been of very much benefit to the wage earner.

Now, I am having quite a time fitting in the respective dossiers. I am collecting a dossier myself, Mr. Speaker. I have got one on the Leader of the Opposition and one on the Member for Moosomin containing the things they have said around here the last week or ten days. Now they have got one on me I know and I am coming to that in a few moments.

The Member for Moosomin started off his remarks this afternoon by stating that it was not sound policy to set labour against the farmer; to set the employer against the employee; and I quite agree. This Government certainly doesn't want to do anything to bring that about. Of my colleagues around me here, between 30 and 35 of them are farmers and seven are labour members. I include the Premier when I say that and I could very easily extend that to the teachers, who are labour men too. They belong to their own union, the Teachers Federation. The last thing we want to do is to create any disharmony between labour and farmer and I might say for the benefit of anyone here that we do get along very well together.

I have gone into these various Acts. There was quite a bit made of the Freedom of Trade Union Association Act in 1938. The Member for Moosomin gave us, briefly, what it covered: The right to organize; the right to bargain collectively; protect labour from the intimidation; but there nothing much happened as a result. I think they had one case while that Act was in operation for four or five years and labour lost that. Now quite a bit was said about the unseen judge this afternoon, the public and we quite agree that the public is entitled to consideration. You will recall, Mr. Speaker, that when the Trade Union Act was set up the Labour Relations Board and we decided to make it consist of seven persons, two representatives of labour, two of the employer and two representatives of the general public. We realize that the Member for Moosomin, this afternoon — no, he is not on the boards, mentioned. He got very dramatic talking about the unseen judge — the general public . . .

An Hon. Member: — I would like to ask the Hon. Member a question.

Mr. Williams: — Yes, certainly.

An Hon. Member: — Was that the unseen judge on the bench that tried the case in June 1944? Was that the unseen judge?

Mr. Williams: — It depends on how you spell 'unseen' — unseeing or unseen. But we realize, the same as the Member for Moosomin, that the general public was entitled to some representation and we put on two members who represent the general public — they both happen to be women, one from the farm, the other from the city. I think the difficulty with our predecessors in office was that they had nobody in the Bureau who really understood labour or had labour ideas. We have plenty of them here, as I said. It was their inexperience that really led them down the wrong path as far as labour was concerned.

Now, the Bill brought in by Mr. Baker; I would exclude Mr. Baker from that remark — he was a very good labour man I understand and went to a great deal of trouble to bring that Bill in as a Private Member. But it came in, we were told the other day, on the first day of April, 1943 and considering the way it was handled and what happened to it, I would suggest that the first of April was an appropriate day. It was referred to a commission — I don't know why it had to go through such a complicated process. We could bring in Bills of that kind here; go through Cabinet caucus and away they go. But this one, for some reason, was referred to the Martin Commission and they had hearings — I don't recall whether they were all over the province or all in Regina. Oh, yes, I have a note here; they sat and took evidence for several months but it finally petered out, I think, as a result of PC1003 coming in. PC1003 was an improvement over the Act, it superseded in the Federal House, IDI Act it is called — The Industrial Disputes and Investigation Act. It is a tongue twister, but it was an improvement and it was lauded by the labour men of that day. They didn't come out so very strongly in favor of it, but it was an improvement, although the Provinces of Alberta and Quebec didn't accept it. The other seven provinces did.

There has been quite a bit made out of the fact that the Premier and I made a statement back in October, 1944 that this Act was going to disappear at the end of the War. As I said a few minutes ago, I don't recall making that statement, but if the Hon. Members say I did I will accept their word that I did say it. Surely I never for a moment meant that the moment the last shot was fired the PC 1003 was a casualty and it was shot too. It is still in existence and will automatically go out of existence on the 31st of this month unless it is given a voice and that is what we expect — that it is going to be continued on for another few weeks to allow the various provinces to do what they like about it. It is going out of effect after the end of the War all right, but not as I say, immediately.

I was quite pleased with the travelogue we went on this afternoon with the Member for Moosomin and I regret, Mr. Speaker, that I interrupted him and spoiled his train of thought. I got up on question of privilege, which I realize should have been a Point of Order. However, he never got back then and I regret that very much. We might have ended up on the Beach at Waikiki or something like that or on labor relations in the Philippines. The coal miners strike in 1938 we have heard quite a bit about. Inexperience, again, seems to be shown as the Cabinet introduced a conciliation board. Now had they had a Department of Labour as they were asked to establish many times through the '30s, they would have had a conciliation officer. He would have gone down there and probably settled it without the miners or their employers ever leaving the locality of the mine fields. But he came up here in a great deal of consternation and meetings were held back and forth. I suggest that a smoothly operating Department of Labour could have handled that without ever taking it to the Cabinet.

I suggest, just before I close, Mr. Speaker, that our predecessors were entirely out of perspective as far as labour matters are concerned. I think that can be easily proven when you look around this House — where are the former Members from the centres who were elected by the labour vote — by the vote of the wage earners; two from Moose Jaw, two from Saskatoon, Regina, Weyburn, Yorkton, Battleford, Prince Albert. Where are

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they now? I am going to tell you. Three of them have been elevated to the Bank, maybe . . .

An Hon. Member: — We don't want to go there.

Mr. Williams: — . . . have ambitions to get up there too, but that is where three of them are. I suggest that the rest of them have sunk into political oblivion.

The Leader of the Opposition a few days ago, just before he sat down, mentioned the fact that I had said there were higher standards in other Canadian provinces. He spoke of the Minimum wage and it is true that British Columbia has a minimum wage of \$18 a week for a forty-hour week. We have \$18.50 for a forty-hour week. Alberta, who had a better rate in effect before the start of the War had \$20 for men and \$15 for women. We have \$18.50 all across the board. I think I see the Member for Maple Creek smile when I say that. Men and women have the same minimum rate in this province.

Just before the Leader of the Opposition sat down last week — I guess I can't find it now, but I recall what he said. He asked this Government if we were in favor of a national code and my reply would be, yes, providing it contains features which are just as good as those we have in this province at the present time.

Now, with regard to the amendment to the amendment — I don't know who ordered this, but I suggest that it is perfectly done; there is not a word out of place — 'that minimum labour standards of national application relating to wages, hours of labour, holidays, age of employment and all other labour matters to which quantitative standards can be set and to give the Parliament of Canada exclusive powers to enact legislation relating to trade unions, collective bargaining, unfair labour practice and a settlement of labour disputes.' Now that together with Clause 2 "in Saskatchewan", here is the heart of it right here, "or should fairer and more effective standards be established elsewhere in Canada as fair and effective as such other standards." I don't think the wording could be improved upon.

I am not going to get mixed up with all these political charges that have been made. As far as the Department of Labour is concerned, all we are interested in is getting good wages, decent standards or decent working conditions for the wage earners of this province. Any attempt to tie us up with any other party is entirely out of order. I would suggest that there is no politics in the Department of Labour. I can assure you of that, Mr. Speaker. There is no such thing as setting one class against another. That was mentioned this afternoon, although I don't know what it has to do with this particular motion.

Mr. Speaker, I am going to support the amendment to the amendment.

Mr. J. Benson (Last Mountain): — Mr. Speaker, I notice so far that none of the farmer Members have had anything to say in regard to this matter and, of course, being . . .

An Hon. Member: — I spoke.

Mr. Benson: — Oh, I am sorry. I didn't

realize from his remarks that he belonged to that great class, the farmers, which in my opinion is the most important class in this province and in this Dominion. I don't know anything about labour organization. I don't know anything about capitalist organization, so I guess you will think that I am qualified to discuss this subject. But I do know something about how both the capitalist organizations and the labour organizations affect agriculture. I want to say, at the outset, that when there is a dispute between the employer and labourer, it is generally the unorganized individual who pays the shot. The farmer, being the unorganized individual, is the goat in the end. Now, I haven't a great deal of sympathy for the labourer who is generally the underdog. I have a lot of natural sympathy for him. So that in my remarks if biased at all, I am biased towards working men.

I want to say a word or two in regard to matters that have been raised here this afternoon and this evening. First of all, I want to say something about that one Estevan strike. Labour members here even have the feeling that when that first terrible affair took place at Estevan, the police were sent to Estevan to shoot those miners. I happened to be in the House at the time and I want to tell my hon. friends here that the late Mr. Merkley, who belonged to a labour union in this province, was then Minister of Labour and he and the Government of the day did everything within their power to prevent any trouble at Estevan. It was unfortunate, I admit, what took place. Some people were killed, others were injured. I remember attending a meeting some time after that particular strike. That meeting was way up at Wisetown. After I had addressed the meeting, a fellow got up and asked me if I didn't think that I was responsible for the murder of the miners at Estevan. I asked him, why? He said because I had supported a government that had deliberately sent the Mounted Police to Estevan to shoot those miners. Of course, I told him what I thought about him. That was one of my earliest experiences in dealing with Communists and it perhaps had something to do with my feelings towards the people who belonged to that organization. I am not afraid to tell this House and everyone in this province that I have no use for a Communist or for the Communist organization and I will do everything in my power to see that they don't get into power in this province and in this Dominion.

I want to refer next to Mr. Baker. Mr. Baker introduced legislation in this Legislature and my labour friends admit that it was the best legislation that had ever been introduced in the Province of Saskatchewan or in Canada, I believe they said, up to that time. We will take that for granted. Perhaps his legislation, for all I know, was even better than any that exists here today. I am not a judge of that. But I want to tell the House, Mr. Baker introduced that legislation and I have never yet seen anyone fight for a Bill like Mr. Baker fought for his Bill. No Member here at the present time ever put up a fight to the measure that Mr. Baker did.

It was sent to the Law Amendments Committee. I was on that Committee. We had labour organizations there represented by their leaders from all over Canada. That was my first experience in listening to the leaders of the labour organizations and I was completely disgusted with the performance that they put on before that Law Amendments Committee. In fact, if I had been in the chair at that time, I would have asked that certain gentlemen that came there from Winnipeg representing some

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organizations withdraw from the committee. Some of my hon. friends who are here today will remember that particular occasion when the speaker, I don't remember what organization he represented, but he got up and insulted the whole Committee. I have never seen a performance such as he put on there that particular morning.

My remarks are going to be a little bit disjointed because I just jotted down a few notes in the past few minutes. The strikes that took place in Canada, at Hamilton, Ontario and in the United States this last summer and fall have had considerable effect, I believe, on the farming community of this country. I think the farmers were pretty well disgusted with the Hamilton strike. When the attempt was made to tie up industry on a large scale in the United States, I believe that I discerned a very definite trend of the farmers to lose sympathy with labour unions and the leaders of those labour unions. They seemed to have the idea that the labour unions were going altogether too far.

I know that the privilege of striking has been won by labour unions after a long struggle and at tremendous sacrifice and I wouldn't like to see anything done that would take away that privilege. But I can't understand, looking on from the outside why we could not have a board of arbitration set up with two or three appointed from the employers' associations, two or three appointed from the labour unions and then a chairman appointed either by the Government or satisfactory to the ones already appointed. I don't see why that cannot be done. I am not prepared to admit, Mr. Speaker, that there are not enough fair-minded men or women in the Dominion of Canada who could not sit on a board of arbitration and settle the dispute in a fair way. I am not prepared to admit that there are not such men. In fact, I believe that so far as the Province of Saskatchewan is concerned, if labour were asked to appoint two to a board and the employers of Saskatchewan were asked to appoint two to a board and then if the Government asked Chief Justice Brown to act as Chairman of that Board, everyone in Saskatchewan would have confidence in the decision that they would reach. In that case, I believe the Government should back up their decision.

I believe that if we could get such a board established on a proper and a fair-minded basis to act as an arbitration board, then we might consider outlawing strikes. I can readily understand that our labour friends would not agree to suggestions to outlaw strikes with any enthusiasm because of the struggle that they have had in order to obtain that privilege, but it seems to me that when the welfare of the country is jeopardized and jeopardized as often as it has been in the recent past, that we can find some means of settling these disputes before a strike becomes necessary. I am only making that suggestion because I don't know anything about labour unions and I don't know anything about the employer's organizations.

I don't know that I need to say very much more, but I am going to repeat again that the labour unions of this country have very, very definitely lost farmers' support because of the demands that they have made in the past, demands that the farming population have believed to be unreasonable. The reason that they have lost that support is because the farmers see and had during this past three or four years been carrying on with lack of equipment, lack of many things that they required. They were willing to make that sacrifice for the length of time of the War. But as soon as the War was over we see the country, once again,

in turmoil because of strikes, because of labour employment difficulties. The farmers, the people of Saskatchewan and the people of Canada, are not able to get those goods for which they have waited so long.

I am going to suggest, too, that what I believe might be a final settlement of labour employer disputes would be to try and organize every industry on a basis so that every person who worked in that industry became a shareholder of it. If that could be worked out so that they could become a shareholder of that particular industry where they worked and had some say in the management of that industry, then I believe that we would get to the end of our labour troubles. I think that all Governments should do everything within their power to bring about a condition such as I have outlined.

Mr. A.D. Connon (The Battlefords): — Mr. Speaker, I had not intended to talk on this question, but the remarks of the last speaker, pretty well asked for some comments. I think he finished the case in grand style, but his approach to it caused a little bit of alarm. In reference to the Board that he would set up in order to settle any labour disputes, it should be clear that it doesn't matter whether you have three labourers on one side and three employers on the other — you could make it fifty on each side; but your chairman is the gentleman that everyone has to be concerned with. And you never seem to . . .

Mr. Benson: — In regard to the Board that I suggested for Saskatchewan, would you not have any confidence in an individual like Chief Justice Brown?

Mr. Connon: — I would say in reply to that, that that is not the Board that I would choose. And as far as your reference to the labour Members formerly in the House here, I cannot agree that they were ever labour Members. It is not possible that a man can be labour and support an organization that is definitely opposed to labour. The Liberal and conservative Parties are definitely opposed to labour and I cannot see where any labour man — that is that can be called labour — can support either of these two organizations. In fact the Minister read the Masters and Servants Act which should be a disgrace to any organization. In finishing his remarks, the Hon. Member for Last Mountain, I think had the answer; and that is, as soon as the employer and labour gets together and labour has a voice in the management of any industry, then you have solved your problem. The strike down at Hamilton was an outstanding example where the employer refused to negotiate. He refused after the organizations had asked for a Board. A Board was set up but the management refused to meet with it. The reasons are, of course, that if management will open their books and show what an industry can stand, then a settlement can be made; but they are generally afraid to open them, because when they do open their books then the whole is exposed to show where labour is being exploited. That is the answer to most of the trouble.

I can never understand what a person means when they say that we shouldn't resort to strikes; that is when they stop there. I think they should go on and then say, "well what would you do in place of that?" When you stop there, the management says, "no, you will work for \$10 a week and no more;" then what

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is labour going to do? No one seems to answer that. The only weapon that is left then is for him to say that I won't sell my goods and his goods is his labour; just the same as when you go into a store and you offer \$10 for an article that is priced at \$15. They put it back on the shelf and won't sell it. When labour does that it is an outlaw.

If I had just simply come from nowhere this evening and flitted down here possibly with a set of wings which would be quite in order and heard the Hon. Member for Moosomin speaking, I believe that I would have gone right up to him and said, "Master I would like a job, I am your servant." You see they talk in such terms — in fact they are soothing. How fair they are to labour! Well, that would be all right if you didn't go back over the years and check up to see what had taken place.

When I was elected, about the first job I encountered was meeting employees of the former Government; and I think that that is the best criterion of what took place before this Government was elected. When you found employees — girls working 12 hours a day, five and six days a week, at salaries ranging from around \$70 to \$90 a month — well, it is a wonder that the hon. gentlemen representing the Government didn't take a hand in it and see that something was done about it. Then I found them coming to my door, people holding responsible positions with training, asking me if they were going to be allowed to go on with their jobs. Well, I almost had to prick myself with a pin; I wondered what I had turned out to be, because I was just Alec Connors the day before June 15th. I turned out to have unlimited powers when some of these people — that possibly have far more training than I have — were coming to me and asking me if they could hang on to their jobs. Well, I didn't know what it was all about and I said, "Why?" "Well, the Government has changed hands." "Well aren't you experienced in your position?" "Oh, yes." "Well have you done anything wrong?" "No, no. I've been faithful." "Well go on back to your job — I don't want your job at all. I don't care whether you are a Liberal, Conservative, Communist or what you are as long as you are doing your job." And that is exactly what I stood by.

I have heard so much about sound government and that we want to get back to sound government, but in hearing some of the suggestions that have been made to me by the employees in order to hold their positions, I am going to tell you that it is high time something was done. I realize that we did have sound government. In fact, that sound increased and increased until it had become a real racket; that is the way I described it.

The question of Communism is always going out — and that is purposely done, of course. The idea is that if you keep on pounding away long enough the public will believe it, but I think we think we've got to the place where the public has realized that seeing is believing; and they see for themselves that this Government isn't in any way associated with the Communist Party. A reference was made that some of us in the House and possibly it might have been aimed at me, would far rather have Communist leaders. I didn't say that, but I did say that I was just as much afraid of Liberal and Conservative leaders as I was of Communist. At least the Communists would allow us to organize.

I think that you will find in the not distant future that we have, in many instances, been sold down the river by Liberal leaders in our trade union movement. The rank and file is

beginning to realize that and it is about time. If it keeps on, you are going to hear more of it in this House. I am not going to take my place in this Legislature and sit back without informing the rank and file of what is going on at the top. The labour union, when you tie it up with the John L. Lewis organization, is painted as the blackest picture that could possibly be. I think everyone that is condemning labour should be compelled to work in the mines; and after they have seen the deplorable conditions that these people suffer out there, they would realize that they have just reasons. I don't think that it is altogether right that we should pick out these particular pieces that paint the blackest picture. As I mentioned once before, labour has an answer to all these questions. The Hon. Member for Last Mountain, I think, did have the real answer also to our labour troubles. When management and labour get together and labour gets on the board of management and opens the books there, and nothing is hidden, then a settlement can be made on that basis and should be made on that basis.

Mr. A.L. Brown (Bengough): — Mr. Speaker, I had no intention of taking part in this debate, but one thing leads to another. I thought possibly I should say a word or two after following the remarks made by the Hon. Member for Last Mountain for I would not wish to create the impression that he expressed the viewpoint of the farmer Members of this Legislature when he made reference to the idea that labour and labour unions, particularly in the Hamilton strike, lost support among the farmers and farm organizations here in western Canada. He suggested that possibly at that time labour went too far. If there was any dissatisfaction or discontent aroused through the action of labour at that particular time among the farmers of western Canada, I think it was not because labour went too far, but because they didn't go far enough. I think and I believe that the only justifiable criticism that we, as farmers, can possibly levy at the labour unions is that they have not gone far enough. They have not as yet put themselves in a position where they are able to have their correct influence felt upon the economy of Canada.

I think it is only fitting that we as farmers here in western Canada should give unflinching and loyal support to labour unions and labour organizations in the strikes as they are conducted against organized capitalists in Canada. As farmers we may at some time in the near future be faced with the absolute necessity of going on a strike that will make any strike conducted by labour in Canada look like small potatoes. When we do go on strike, Mr. Speaker, we will require the unflinching support of labour to the same extent that labour requires the unflinching support of the farmers and farm organizations in western Canada. I will admit, Mr. Speaker that during the time of the Hamilton strike there was some discontent raised among the farmers here in Saskatchewan, but it was not due to the strike in itself, but rather it was due to the type of propaganda that was fed to the farmers here in western Canada.

I can recall when the farmers of Saskatchewan did go on somewhat of a strike. I can recall the time that we as farmers sent our 400 delegates to Ottawa and I happened to be a member of that honored delegation. I can recall the type of propaganda that was being fed to the citizens of eastern Canada as to the reasons that we, the farmers of western Canada were at that time in Ottawa. There we had a situation that was similar to the situation that existed at the time of the Hamilton strike.

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In the settling, or the attempt to settle this Hamilton strike, Mr. Mallard appeared before the industrial relations committee. At the time that he appeared there was man after man in that committee that commended Mr. Mallard for his fair and honest presentation of the case of the labouring class. He impressed them with a just claim on behalf of the labourers. He substantiated his claim of the need of the raise in pay for the industrial workers in the Hamilton plant by indicating that Donald Gordon, in allowing the raise in price of steel told the Hamilton steel owners, that in this raise in price was a certain amount for the labour of that plant. But he also told them that the workers would have to go after it. Here we had a man, Donald Gordon, who was in control to a large extent of our economy and who told the Hamilton steel workers that they would have to go out on strike to get their just increase in wages. As a citizen of Canada who must accept his own share of responsibility for the fact that we had Donald Gordon there, must accept responsibility to a certain extent for the fact that these workers were required to go out on strike and in so doing, affect our whole economy here in Canada.

Mr. Mallard also offered the proposal to the industrial relations committee that he was prepared to set up an arbitration board which could settle the strike on the same basis as the strike in Windsor, using the same formula, known as the 'ranch formula.' I don't think that we as farmers here in western Canada are at all justified in any way severely criticizing the actions of the workers when they went on strike in Hamilton. On the contrary, I think that if we as farmers had had the same information placed before us as did the industrial relations committee that we would have given unqualified support to the workers at that time.

I agree with the Hon. Member for North Battleford when he suggested that in the closing remarks of the Hon. Member for Last Mountain was offered the solution to our problem. The solution that he offered carried to its ultimate conclusion can mean only one thing, democratic socialism and for that reason I can support the solution suggested by him. But at this particular time these workers in these plants must use the only means at their disposal to obtain some justice and some decent standards of living for the efforts that they are putting forth on behalf of the industrialists of this country. I hope that I can live to see the day when labour, together with the farming population of Canada, will be in a position to control our whole economy. The only way that we will ever reach that end is not by attempting to drive a wedge between farmer and labour, but at all times working in such a way that we can create closer and better harmony between these two great classes in our economy.

In closing, I wish to state that I wholeheartedly endorse the motion as amended by the amendment. I have felt that as a farmer and as a citizen of Canada, those two policies which effect our whole economy here in Canada should be under one and similar jurisdiction. It has been an accepted policy, since Confederation, that by and large our agricultural economy is controlled by Federal interests, but I think that it is only right that the labour economy of Canada should be controlled by the same body. Mr. Speaker, I will support the motion as amended by the amendment.

Mr. F.A. Dewhurst (Wadena): — Mr. Speaker, I would just like to say a few words. Farmers in the past have seen cheap labour and what cheap labour practice did for the farmers. I remember back in 1937 when the Government of the day was paying \$5 a month to the labourers to take jobs on farms and if they would stay all winter they could get an extra bonus of \$2.50 per month for staying on the farm. Also, the farmers were given \$5 per month to help to board them. Now what could the farmers buy in those days? Labour was cheap; the cost of labour was no big element in production. But the farmer could buy far less than he can now when he is paying a hired man \$100 or \$160 per month. We can buy far more when labour in the industry is getting a good price than we could in those days.

Last winter when the steel strike was on, we saw the price of steel being increased \$5 per ton, but the wages for the employees working in the implement factories wasn't increased. The price of steel had gone up so the implement company put a 12 1/2 per cent increase on cost of implements, but the workers got no increase. I know of a breaking plow that was sold in my home town before the increase in steel went into effect; the price F.O.B. the town was in round figures \$325. After the 12 1/2 per cent increase, the price of that same plow was \$365. Now that plow only weighed three quarters of a ton. There was no increase paid to labour, where did the extra \$40 come from when steel was only \$5 per ton more?

Then again too, science has added to industry. Scientific inventions have replaced labour in the industries, but as a result of that, labour gets forced down instead of being able to get higher wages.

The strike weapon is the only weapon that labour has. When you take that away from them you might as well put the chains right back onto them because, as the Member for The Battlefords pointed out, they have no other alternative. They can only sell their labour. In selling their labour they have to try and bargain and if they come to the conclusion that they can no longer make arrangements to sell their labour, then what alternative have they left? If they can't strike, then it is just the same as the slave days when they say go back or else. So, Mr. Speaker, as a farmer Member, I am wholeheartedly in support of labour and I support the motion as amended.

Mr. R.H. Wooff (Turtleford): — Mr. Speaker, I would just like to add a few words to this debate, as a farmer Member of this Legislature. Along with every Member in the Legislature I lament strikes. I lament the dislocation which it causes but also as a farmer I am faced with this question: If we are going to allow workers to be reduced to a subsistence level so far as wages are concerned, then I as an agriculturist go down with them. I cannot see now the present standard of business and living can be maintained if the fighting power of labour is to be reduced.

I would like to say a word on the Hamilton strike. My colleague from Bengough has covered it very well, but I believe for some 18 months the workers endeavored to negotiate their grievances without any effort on the part of their employers to meet them on reasonable terms. I would also like to say a word about the living conditions at the time of the strike. I happened to have a very close friend, a Flying Officer in the

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Air Force who was living in Toronto at that time. They had a 14x14 room rented for themselves as husband and wife and two children, with the use of a bathroom and along with several other families the use of a community kitchen. This was on the third floor of a tenement house. The charges of monthly rental was \$55. This Flying Officer said: "If you can tell me how a labouring man can feed, clothe, educate his family and buy health services on the price at which they are sold — not on what he was getting but on what he was asking for — on \$133 a month then you are a better man than I am." He told me that his opinion was that the Hamilton steel strikers were asking for nothing but even handed justice.

In reference to all this argument about the high cost of labour entering into the final price of farm machinery, I think there is a good deal of eyewash in it. I am just going to use one illustration because I wish to be brief and that is that there is just \$48 worth of labour entering into a \$1,000 tractor. I leave the rest of the Members to draw their own deductions with regard to where the rest of the retail price comes in. Once again, Mr. Speaker, I am faced with this problem: how we can expect to maintain the present standard of living and business if we, as farmers, are going to allow labour to be reduced to subsistence levels.

I am going to support the amendment.

Sub-amendment agreed to.

Amendment as amended agreed to.

Motion as amended agreed to on the following Recorded Division:

YEAS — 41

Messieurs

Wellbelove	Fines	Hansen
Benson	Phelps	Nollet
Valleau (Melfort)	Trew (Mrs.)	Lloyd
Brockelbank	Buchanan	Sturdy
Williams	Thair	Dewhurst
Boyle	Murray	Gibson
Daniels	Lazorko	Patterson
Darling	Putnam	Procter
Stone	Brown	Danielson
Harris	Cuming	Hooge
Gibbs	Swallow	Embury
Howe	Van Eaton	Valleau (A.S.V.R.)
Willis	Connon	Dobie
Aitken	Arthurs	

SECOND READINGS

HON. MR. O.W. VALLEAU (Minister of Social Welfare) moved second reading of Bill No. 51 — **An Act to provide for the granting of Aid to Certain Persons under Certain Conditions.**

He said: The only principle that could be called a new principle involved is a clarification of the residence rules, an endeavor to make them a little more workable as among municipalities. I think all the details of the Bill may be discussed in Committee.

I, therefore, move second reading of this Bill.

Motion agreed to and Bill read a second time.

The Assembly adjourned at 11:00 o'clock p.m.