

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session - Tenth Legislature

Tuesday, February 24, 1948.

The House met at 3 o'clock.
On the Orders of the Day.

Mr. O. Hansen (Wilkie): — The 'Star-Phoenix' of February 17, reported me as having said that the Liberal candidate for Wilkie constituency had resigned. That statement has no foundation in fact. I did not say it, and hereby deny it.

Mr. G. Herman Danielson (Arm River): — Before the orders of the day are proceeded with, I wish to draw to the attention of the House a very gratifying thing to myself. Yesterday morning when I got the daily press, I looked at the sport page and it said: "The South title" — that is, the curling title for the Southern part of Saskatchewan — "was won by the ladies from my home town of Davidson." I was going to draw this to the attention of the House, yesterday, but I was sure, Mr. Speaker, that they would win the title for all Saskatchewan in their contest yesterday afternoon and last night. Today I am happy to say that the Championship of Saskatchewan has been won by the ladies from my home town: Mrs. J. Robertson, Mrs. J. Kunkel, Miss Kay Secoluck and Mrs. R. Secoluck.

I wish to offer my sincere congratulations to these ladies on their success, and I am sure the House will join with me in doing so. Personally, it is more than that to myself; these ladies all come from Arm River and, more than that, they come from my home town of Davidson. It goes to show that up there in the Central part of Saskatchewan we can produce champions of many kinds, and this being the first year the ladies have taken any active part in the curling, it is wonderful that they have been able to capture the championship of the province of Saskatchewan; and it seems to me that it was done very, very easily. Again I wish to offer my congratulations to these smiling ladies on the sport page of the press.

Hon. Mr. Brockelbank (Tisdale): — I would like him to know I was over there cheering for them.

Hon. Mr. McIntosh (Prince Albert): — I believe that the hon. member will concede that they had very worthy contenders, and while we will concede the Provincial Championship to the women of Davidson at this time, I assure the hon. member, when we are taking in a provincial campaign again, that the championship will drift in other directions.

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Premier: — It seems to me that it is in order for everyone to "blow their constituency horn", so I would like to draw to the attention of the House that the young men's team from Weyburn won the Junior Provincial Bonspiel — maybe not quite national, but six provinces, the Maritimes were not represented — and only lost out by a very narrow margin from coming back with the Dominion Championship, in their very first contest. I would like to offer them my congratulations.

Mr. Speaker, I rose for the purpose of making a request on behalf of a member who is not here. I am sure all the hon. members will be sorry to know that over the weekend Mr. Bruce Harris (the member for Torch River) received word that his wife's mother was very ill. Mrs. Harris, herself of course, is a semi-invalid and Mr. Harris went with her to the coast. I have since received a wire to the effect that Mrs. Harris' mother has passed away. The member would like to stay there to make the necessary funeral arrangements and to bring Mrs. Harris back, and would like to be excused from his duties for the next four days.

Mr. Speaker: — Is it the wish of the House to extend leave of absence to the hon. member, to perform these very sad, necessary duties? Is it agreed that the member receive permission?

House: Agreed.

Mr. Speaker: — So ordered.

Premier: — No copy of the report of Dr. D.L. Katz of the University of Michigan on gas reserves in Saskatchewan will be tabled in the Legislature. The Government take the stand that this was a technical report which should not be made public, and should be classed as a privileged document.

Hon. Mr. Phelps: — Although the report of Dr. Katz will not be made public, if any Opposition or Government member would like to come to the office, I will be glad to go over the report with them, provided they treat the information in a confidential manner. But the report is available in that capacity — we do not think it is in the best interest to table the report at this time.

Mr. Procter: — Do the hon. members know that the Dominion House make available all these reports of the natural resources of the Dominion? Of course if the Provincial Government wish to take another attitude, I presume that under the rules of the House they can refuse the report and consider it a privileged document.

Mr. D.S. Valleau (A.S.V.R.): — There is one exception that I recall offhand to the Federal precedent that the hon. member for Moosomin quoted and that is: any investigations made into the uranium deposits, or deposits of that nature, are, and have been, treated as privileged documents.

HOG PRODUCTION

Motion requesting Long-Term Policy

Mr. Patterson: — May I refer you to your decision of Thursday, February 19, Mr. Speaker, and in connection with that ruling I would suggest that you strike out the words from "recognizing" in the first line to "Saskatchewan" in the third line, which contains the statement of fact.

Mr. Speaker: — I was myself about to draw the attention of the hon. member to this, and the only way in which this Motion could come before the House is by unanimous consent, if the Mover so desires, to delete that portion which certainly would make the Motion out of order.

Does the hon. member wish to go on with the Motion if that is deleted?

Mr. W.S. Boyle (Kinistino): — Yes, that is agreeable.

Mr. Speaker: — Is it the pleasure of the House to delete that portion of the Motion?

House: — Agreed.

Mr. Speaker: — We will proceed with the Motion with the deletion of all words to "Saskatchewan."

Mr. Boyle: — Mr. Speaker, in rising it is my intention to draw the attention of this House, and also the Dominion Government, to the serious situation confronting the livestock industry in this province, and particularly the hog industry.

On two similar occasions I have moved similar Resolutions but, so far, nothing has been done to give the hog producers any stability, in fact, conditions have steadily grown worse and the production of hogs is still declining.

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I would like to quote the following figures, taken from the Bureau of Statistics, giving the marketing of hogs for the last four years: 1944, there was 1,934,000, approximately, marketed in Saskatchewan; 1945 — 942,000; 1946 — 513,000; 1947 — 434,000, or in the four years quoted the hog marketing has dropped over 75 per cent, and for December, last year, nearly 1,000 more hogs were marketed than in December a year ago.

Mr. Speaker, I think that all members of this House will agree that this industry is rapidly disappearing in Saskatchewan, and I believe that anything that can be done to restore the industry back to a more healthy condition should be done, as I believe that livestock has been, and should be, one of the methods of a successful, diversified, economy and would tend to much more stability than grain-growing alone.

I would like to display at this time a chart — I do not know whether all the members can see it or not — which shows the hog industry in Saskatchewan, each dot representing one thousand pounds, and all that can see it will recognize that the hog industry has been very heavily concentrated in the Central and Northern part of the province, which I have the honour to represent a part of. I know that the constituency which I represent has been a very heavy producer of livestock products, and we see that industry rapidly disappearing and we will soon be coming to what we used to hear quoted about the prairie farmer: "a cowless, sowless, henless farmer". That is what is taking place up in our part of the country at the present time.

I maintain that isn't healthy — I maintain that we should take recognition of that fact, and we should convey that to the Dominion Government, as we are all perfectly well aware that they have the marketing and handling and control, to a great extent, and of setting the price of feeds, and so on.

I would like to review very shortly, some of the things that have taken place in the past few months, that has tended to destroy confidence in our hog industry. When speaking to a similar Resolution, last year, I endeavoured to show that the feed grain bonus then being paid by the Dominion Government to the hog producers buying their feed was having the effect of penalizing the hog producer who was growing his own grain, to the amount of 23 cents per bushel, or approximately four dollars per hog. This, along with the shortage of farm labour, income taxes, and so forth, forced the larger mixed-farmer out of hog production. Then the smaller farmer, in a great many cases started expanding his hog production, as he believed with the increased price that was being offered — \$2 increase the first of April and another \$2 in September, of last year, per 100 pounds, that the prospects were pretty good.

Then something happened. First, in the last week of August we had the packinghouse strike tying up all marketing facilities, leaving the producer loaded up with a great many over-weight hogs. Then, on October 21, price ceilings were lifted on coarse grains and the feed bonus was discontinued, practically doubling feed costs, without, at that time, any corresponding increase in the price of hogs, creating the condition where the banks refused to finance any further purchasing of feed, and practically forced the producers either to destroy their partly finished hogs or else try to get the packing-houses to finance them. On January 2nd of this year a new bacon agreement was signed with Great Britain which had the effect of giving the packing-houses of this country a hand-out running into millions of dollars, which rightly belonged to the producers of the meat then filling their storage rooms.

At this time I would like to quote an article from MacLean's Magazine, February 15, 1948: "On January 2, Agricultural Minister Gardiner announced a new higher price for the British meat contracts. The new contract prices are all higher than the old, but not much higher. The government felt beef wouldn't go up at all — the last ceiling price of first quality beef was higher than the now 1948 contract price to Britain. Pork would be driven up about five cents a pound, carcass price; veal and lamb were not affected at all. Within a week of the Gardiner announcement, pork had climbed to a new high, not five cents but ten cents above the old ceiling price. Beef was six cents above the old levels, lamb nine cents and veal ten. It takes three weeks to turn a fresh killed hog into bacon, but Canadian bacon was selling at retail for as much as 20 cents a pound above the previous level, within two or three days of the contract agreement. By December the biggest run of cattle and hogs had been completed. Meat in cold storage on January 1, was at a peak of 112 million pounds — 30 million pounds more than a year ago. There were 56 million pounds of pork; 35 million pounds of beef; six and one-half million pounds of veal and eight million pounds of lamb and mutton. There are, of course, no official figures on the profit the dealers made on this stored meat. If all of it had been bought at the old ceiling price, simple arithmetic would tell you that the inventory profit would have been nine million dollars." Of course, I do not think the packers would admit that, but my own contention is that a lot of this meat — beef and pork — was bought when there was a glut on the market after the packing house strike and was bought even lower than the ceiling price. The beef price, particularly, was forced down at least two cents a pound in a great many of our markets after the strike was over and the market was glutted.

Mr. Speaker, it is not the intention, or purpose, of this Resolution to criticize actions that have been taken in the past, but rather to try and get some stability that will give to the hog producers the confidence that he does not now have. Under the first part of the Resolution we are asking that feed grains be placed under a Federal Marketing Board to endeavour to have feed grains bear a fair relationship to the price of meat products. I am sure I speak for the majority of hog producers when

I maintain that the only way we will achieve any measure of stability will be only under such an arrangement.

The second part of the Resolution asks for a Board of Livestock Commissioners with adequate powers to regulate and supervise all phases of the shipping, processing, marketing, of both live and finished product — to endeavour to try and get some confidence back to the hog industry so that Saskatchewan will again take its place in our national economy and be able to supply Great Britain with the bacon she so much needs and desires.

Mr. Speaker, I, therefore, move the following Resolution, seconded by Mr. Putnam from Humboldt:

"That this Assembly respectfully request that the Federal Government immediately institute a positive and effective long-term production policy, based on the following points: protection against highly speculative meat prices in relationship to the price the farmer receives for hogs by immediately placing the marketing of feed grain under a Federal Marketing Board, with adequate producer representation thereon; protection against excessive profits by the processor and distributors of pork products, at the expense of both the producer and consumer, by the appointment of a Board of Livestock Commissioners with adequate powers to licence, regulate and control facilities for assembling, transporting, yarding, slaughtering, processing, packing, grading and marketing of all livestock and livestock products with both producer and consumer representation on the same Board."

Mr. Ben. Putnam (Humboldt): — In rising to second this Motion and after studying the Resolution itself, I feel that the Resolution pretty well speaks for itself. The hon. member for Kinistino has given you facts and figures covering what the Resolution involves, and I do not feel that it is necessary for me to take up a great deal of time, this afternoon, on this particular Resolution.

I believe that there are one or two things, if we could agree on, we would be in a better position to discuss what is involved in the Resolution. The first is that there has been a serious decline in hog production in the province of Saskatchewan during the last three or four years. The hon. member for Kinistino has quoted you the figures this afternoon, and I do not think there is any argument about that. Now, there must be a reason for it, and if we can find out the reason for this serious decline perhaps we would be in a position to suggest a remedy. Many hundreds of farmers in Saskatchewan would gladly raise a few litters of pigs if they were assured of stability and security in what they were to obtain for those pigs when they went on the market. The average farmer desires to raise a litter or

two of pigs to supply the meat and lard needed of his own family and there is not a great deal of labour involved when you go out to feed the pigs whether you feed four or five or whether you feed twenty-five or thirty.

A few days ago in this House the hon. member for Watrous gave us a very fair illustration of the situation so far as hogs are concerned. He came in contact with a farmer in his own constituency, and around September this farmer found himself with 40 or 50 pigs on his hands. His crop had failed and he didn't have feed to finish them for the market. He approached his banker and it was agreed that it was a fairly good proposition and that he would, in all likelihood, be able to get the money to purchase the feed. In the meantime, while he was looking around, the price controls on grains were lifted — oats and barley shot up — and when he went back to get the money, the banker had changed his mind, in what was a good business proposition from his standpoint. Finally, he went to the packers and they agreed to furnish the feed and allow him a certain amount for his work. He finished the hogs, delivered them and in a few weeks the price of pork was jacked up. Well now, who got the benefit of that raise in prices? It certainly was not the man who raised the pigs.

I have a neighbour who a few years ago was raising about 200 pigs per annum. He fixed up his farm in order that he could do that; he built barns, did fencing; put in feeding floors and water facilities and all that sort of thing; but he became so disgusted with the fluctuation and the instability of the Federal pork marketing policy that he rebelled and, at the present time, he hasn't a hog on his farm — he has the facilities, and he is willing to do it again if conditions would justify it.

Mr. Speaker, in talking on this Resolution we are not talking about something somebody has told us, or something we have read in the farm papers. I have raised many hundreds of hogs in my day, and I know what is involved from the farrowing pan to the stock yards, and the hon. member that introduced this Resolution, I am sure, has handled many more hogs than I have. I remember one instance, in particular, prior to the days when rail marketing became effective, I found myself with 45 or 50 pigs on the farm in August, and the market price of pork, live weight, was about \$14 per hundred. Well, it looked like a pretty good proposition and I felt pretty good over it; but when these hogs were ready to be delivered in December, the price had declined to \$8 per hundred. If any one can do business and can handle livestock under those conditions, well they have me bested. And very much the same thing has followed year after year, and that is why many hundreds of farmers in this province have just rebelled and refused to raise pork under those conditions.

Even no longer ago than last September, there was a movement on the part of many farmers in this province to produce more pork. We all realized that the world needed it and the tendency was to go back into raising hogs to a certain extent. There was quite a demand for breeding stock, but along in October, when the price of oats shot up to 75 cents a bushel at the

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elevators and barley was \$1.25 per bushel, they said, "what is the use of trying to raise hogs when we can get these prices for our feed grains, and with all the risk involved in trying to produce them?" A couple of months later the price of dressed bacon was jacked up again — the picture was changed a little bit, but it was too late; the breeding stock was gone and, as a result, we are going to have a very slim hog supply during the year of 1948.

It is difficult to imagine responsible men who have the shaping of the policy down at the federal end of the line, putting themselves in the position where they are responsible for such a short-sighted, sad inequitable livestock marketing policy.

There is not much use, Mr. Speaker, in standing up in the House and calling people names, and using abusive language — I am not one of those who believe that the men responsible for these policies are endeavouring deliberately to sabotage the livestock industry. I do not believe they are deliberately endeavouring to "sell the farmer down the river", as the saying goes; but I think one or two things must be the matter: either they are so far removed from the farmers' viewpoint and what the livestock raiser has to contend with that it is impossible for them to bridge the gap. I doubt whether any of them know very much about the livestock-raising industry from actual experience. If it is not that, Mr. Speaker, it is possible that the other people who handle the farmer's products from the stockyards on to the outer end of the line, that they are in a better position to present their side of the case and bring pressure to bear upon the authorities that inaugurate the marketing policies that the farmer is lost sight of in the picture. I am inclined to believe that, perhaps, that has a great deal to do with it.

Sometimes I almost despair of finding a remedy for many of our problems for we have passed Resolutions in this House, from year to year — the farm organizations pass resolutions and send delegations to Ottawa, and it seems that it doesn't have very much effect. But the old saying "if at first you don't succeed, try, try again" applies, and if we keep hammering away some day we will get our message across. Saskatchewan has 21 members in the Federal House, I believe, and I would submit, Mr. Speaker, that they are doing — with perhaps one or two exceptions — a splendid job of fighting the farmer's battles down at that end, and I think that we are very fortunate that Saskatchewan has the representation in the Federal House that it has. And I hope that if we do our part, and have the assurance that they are going to do theirs, that someday we are going to get our message across and some of these things are going to be corrected.

Mr. Speaker, this Resolution calls for a Board with adequate producer and consumer representation on that Board — I believe that that is the important part of a Board if we are going to have one, and if we don't have that, I do not think there is much use of having a Board at all. If a Livestock Marketing Board is to be made up of packers and exporters and a few "lame duck" politicians, I do not believe it will amount to a hoot; but if we can get a Board such as this Resolution calls for, I believe that it will bring results and Saskatchewan — the people, the farmers, the producers of Saskatchewan — will be willing to come back and contribute their share to producing the meats and products the world so badly needs at the present time.

Mr. Guy F. Van Eaton (Shellbrook): — I have one or two representations that I would like to call attention to — one or two points that I think are very important. That the hog, because of its ability to increase from 100 to 1000 per cent, in a year, its quick maturity and its power to transform low grade, low quality grain into high quality food products in a very short time, make it probably the most valuable potential revenue producer that there is on the farm. And I think that the farmer now, because of the instability of the program of grains and the products from the hogs, is handicapped to the point where he has had to almost go out of business in raising hogs.

I notice Mr. Townley Smith, the member for North Battleford, has been discussing this matter in the Federal Parliament, and he has proved to them there that the farmer — I won't quote his figures — has had to take a loss in hogs, and he must be nearly right because 90 per cent of all the people in my district, at least, that were raising hogs, have gone out of business — they are not raising very many hogs any more, because of the instability, or the gambling in grain when the grain was turned over again to the Exchange. I have a notation here in the 'Farmer's Guide' where the increase then in the pork product that was boosted from that raise in grain amounted to \$2,700,000, which the packers got, and which the farmer had already produced and they held in the coolers. It is those kind of things that discourage the farmers and they are not willing to produce hogs unless they have a long-time, stable contract on both grains and the product of the hog.

Mr. Speaker, that is all I will say on that; I will support the Resolution.

Hon. I.C. Nollet (Minister of Agriculture): — Mr. Speaker, this is one particular Resolution that I want to participate in and place my viewpoints on record, as it has been our experience in the Department of Agriculture to see them.

I quite agree with the hon. member for Humboldt that calling people names at this late date, and particularly within this Assembly, won't do any good; but I do not believe I have ever heard anyone, or any department, for this type of policy, get called so many names in the country; I do not believe I have ever noted a policy that has been so destructive to diversified agriculture, particularly in Saskatchewan where we, in the Department of Agriculture provincially, are spending large sums of money to promote the livestock industry, particularly the raising of hogs.

Of this particular Resolution, Mr. Speaker, it provides two things. First of all it indicates that there should be some fair relationship maintained between the price of feed and the price of pork products — that is something that we have been shooting at for a good many years but we have never yet had.

In addition to that, this Resolution also indicates that the producer of hogs should be guaranteed a price that will cover those costs and also indicates that the consuming public should receive some protection in respect to the type of prices we have witnessed since January 1st.

Going over the records, Mr. Speaker, it might be well to give some figures to the House to indicate the trend in hog production in Saskatchewan, and relate that to our United Kingdom contracts over the years. First of all, it is to be remembered that we first began to get in earnest about shipping bacon to Britain about 1932, and we had yearly quotas from that time on until the beginning of the war, of 280,000,000 pounds: never once in those years was that quota ever reached. The closest we ever came to it was in 1939 when we shipped about 195,000,000 pounds to Britain. Now I would like the hon. members to keep that figure in mind because it will indicate to you just where we have arrived at this year. In 1939 we had a hog population in our province of 512,000 hogs and, in 1940, that went up to about 879,000 hogs; in 1941, it went up to over 900,000 hogs; in 1942, it went up to 1,325,000; and in 1943, to 1,754,000; in 1944, we gradually came down — we dropped from 1,754,000 to 1,599,000; in 1945, we were just below or just at 1,000,000; in 1946, we took a real nose-dive down to 523,000 of a hog population in this province. That rose a little bit in 1947, but many of the advances that we expected should have been made in 1947 were rubbed out in a two months' period; in that two month period, November and December — I am going to have more to say about that a little later on.

I have given you these figures, and alongside of them I would like to place our British bacon contracts. Our first agreement with Britain was in 1939-40, when our minimum commitment was 291,000,000 pounds — our actual shipments, however, were 331,000,000 — we were over our minimum commitment. The second agreement called for 425,600,000 pounds; the third agreement for 600,000,000 pounds and the fourth agreement, in 1942-43 called for 675,000,000 pounds; and the fifth agreement in 1944-45 called for 900,000,000 pounds; and the sixth agreement we dropped down — that was the last one — to 265,000,000 minimum and a maximum of 360,000,000 and we just about reached the minimum in meeting that contract last year. But for next year — the year ahead — we only expect to deliver 195,000,000 pounds of bacon to Britain — and that pretty well indicates what the trend of hog production is liable to be, as recognized in that contract to Britain.

I have known right along, as everyone else knew, inside this House and outside, throughout the Dominion of Canada, that Britain was hard pressed for food. Now I have attended a few production conferences down at Ottawa, Mr. Speaker, and I have heard a lot of fine, eloquent phrases used with reference to the food for Britain. I have heard them talk about production goals, but never once have I seen a constructive policy laid down by the Government at Ottawa, that would achieve those goals and permit adequate supplies of food to go to Britain.

We have witnessed recently the liquidation of some 12,000 miles of British investments in railroads in the Argentine, in order to obtain credits to purchase much needed foods from that source of supply. It was my impression at the conclusion of the war, Mr. Speaker, that we would go on an all out program of production to try and reach new production goals in all categories, not particularly because of the need of Britain but because of the need of the European countries as well. The reverse seems to have been the case, particularly with reference to hog production. There are many factors that enter into this decline, but the principle one is the one that hasn't been recognized — as indicated in the Resolution — that the hog raisers of Canada, particularly of Saskatchewan, have been given no assurance that they would get a price for their hogs that would bear a fair relationship to their feed costs.

It is true that one of the primary reasons we got into hog production in a big way was that we were patriotic, and then, too, the enormous accumulation of coarse grains that we witnessed in the early war years in Saskatchewan resulted from the Federal Government policies of discouraging wheat production. We all recall those days when the slogan was "grow less wheat and help win the war". We had acreage bonuses to put land back into summerfallow and, with all of that, of course, we had that great big army of inspectors that the hon. members talk about so much, when they make reference to this administration — whole armies of them — I never signed so many applications for this and that in all my life, as I did in those years. And everything had to be pretty well under oath too, and woe betide you if you made a mistake of five acres — they were right on top of you. Of course, during the war years some of those controls were necessary, but the result was that we got acreage bonuses in order to increase the quantity of feed grains available, to the end that we might produce more hogs and more dairy and poultry products for Britain, that could more easily and economically be transported at that time, in view of the shortage of space.

But I want to say that the farmers, at that time, produced those feed commodities far below the cost of production for the first years of the war and we had this accumulation as a result, principally for the crop years of 1942-44 when we had big piles of feed grain and we had to go into the hog business whether we were patriotic or not — that was the easiest way of getting rid of our grain at that time. But, be that as it may, we did go all out in hog production; we fulfilled our commitments in filling the quotas set by the Ottawa government, but gradually, when the price of wheat rose, (of course, it didn't rise until the Wheat Pool delegation went to Ottawa and got them to raise it, regardless of the fact that some of the hon. members' Party spokesman got on the platform in Western Canada and advocated a higher price for wheat, when Parliament in Ottawa voted it down) and gradually a demand for feed grew up in the United States, and also in malting barley, over the years. An equalization payment was then paid back to the growers of coarse grain, and out of that fund. As the price of barley advanced, it was also recognized that a drawback should be paid to the person who raised the hogs,

but unhappily, Mr. Speaker, particularly as far as Saskatchewan was concerned, that drawback was not made available to the man who raised his own feed — it was not available to the producer-feeder. Gradually the equalization payment increased and, therefore, farmers became more interested in selling their grain than they were in the raising of pork products.

In addition to that, it is to be remembered that the contract prices with Britain were set prices over a year or two-year period — nothing was done at home to hold down production costs: not only production costs for the man who raised the dairy, poultry and animal products, but also the production of grain itself was increased tremendously in cost by the removal of various controls and subsidies, by which agriculture was bonused during the war years. In other words, while we were tied down to a price abroad which pretty much regulated the prices of the commodities at home, the Federal Government by its 50-50 decontrol policy permitted a tremendous increase in farm production costs — naturally everything was going to get thrown out of balance, and naturally the prices of wheat and the contract price with Britain were going to have to be re-negotiated to meet those costs; and the effect of the whole was that we were practically liquidated out of hog production, over the years, in accordance with the figures I have just quoted.

I would like to go back to the situation that prevailed in December, 1946, when the Federal Government at Ottawa was pretty much undecided whether they should keep on all controls, or whether they should retreat from controls, particularly with reference to farm products. At that time, we recommended to the Conference that an acreage bonus for the production of barley, particularly, would be the most sensible plan for getting increased food production, because we were very short of feed products in Canada at that time. The Conference, accordingly, made recommendations urging that the acreage bonus be paid but, lo and behold, when the New Year arrived, we found that gradually the Government was getting away from that policy. I welcomed at the first of the year, 1947, a two-dollar increase in the price of hogs — at last I thought that perhaps the Government at Ottawa had seen the light by renegotiating the contract price of bacon two dollars a hundred, in the expectation, too, that a further increase would be made available the following September in 1947. However, it was also announced that perhaps the price of feed grains would be raised correspondingly — that is, the ceiling price. Now this was done in April, 1947, and then the equalization payment that was formerly paid to the producer was incorporated in the new price of oats and barley, but the thing to bear in mind is that the feed drawback was still available to the feeder of livestock, but only to the feeder who didn't raise his own feed. When that announcement was made at Ottawa, there was some indication that the ceiling prices would be removed entirely from coarse grains after August 1st. There was some indication, too, that the ceiling prices would be removed from meat products after the same date, and after those announcements were made. However, with the prospect of a two-dollar increase in September, the farmers of Saskatchewan were interested still in hog production, when along comes August 1st and, as you all know, we had a very serious drought in Saskatchewan and we were confronted with a very serious problem in this province. We made representations to Ottawa

requesting them to maintain the feeder drawbacks, particularly until the farmers in the deficiency areas were able to fulfil their feed requirements for the whole winter period. Then we asked that a feeder drawback be made available to the farmer that would insure the drawback on a supply of feed that would carry him through the winter — we felt that was only just and fair. All the representations that we made in that regard were definitely turned down.

However, the ceiling prices on the coarse grains were maintained after August 1st, but the feeder drawbacks were only made available on a limited quantity of feed — in some cases, I understand, the maximum amount any farmer could get, regardless of how many cattle he had, was 300 bushels of grain, and was definitely limited to two months. It was our feeling in our Department, when we were paying half the freight on feed grain shipped into drought areas, that the drought area farmer should be able to have the drawback on his whole winter's supply, particularly the hog raiser as we were very much concerned about maintaining our position in respect to the hog industry.

I also made further requests, Mr. Speaker, I made formal representation to the Minister of Agriculture at Ottawa that the terminal elevators in Saskatchewan be filled: that had been done in previous years as an assurance against another crop failure another year. I want to say to this House that we were absolutely turned down on that, in spite of the fact that I sent wires on three different occasions, to Ottawa, and also had correspondence with them. It would make pretty nice reading to read some of the replies I got from the Minister, to the House: and when I see these hon. members opposite asking questions about feed grains, I would advise them not to ask too many questions because we have some very adequate replies, that we have on the record here. Particularly so, Mr. Speaker, that we couldn't get any definite reply from Ottawa on what the policy was going to be on coarse grains, whether they were going to decontrol it entirely and what they were going to do about the price of livestock: those were the things that were uppermost in everybody's minds, particularly those who were short on feed; they wanted to know that. We urged continually that the feeder drawback be continued, especially after decontrol took place. After that debacle I wired the Minister of Agriculture at Ottawa again, asking that feeder subsidies be re-instituted until the prices of beef and the prices of pork raised to their new levels. Knowing the packing fraternity as I do, having had experiences with them practically all my life — always being on the receiving end — I knew that they were waiting for this opportunity to make a glorious 'killing'. Consciously or unconsciously, they were aided and abetted in their plans by the policies of the Ottawa Government when they decontrolled coarse grains. A man at that time couldn't retain his livestock if he wanted to or not, under those conditions.

Regarding cattle, I had to pay increased prices for feed grain for cattle that I sold in December at two dollars, a hundred less than I received for cattle in September. The records are plain, and this is one that neither the packing industry nor the Federal Government can escape some responsibility for, Mr. Speaker. This packing industry that had the "crocodile

tears" for the farmers, when the packing-house strike was on — the packing-house workers were going to ruin the farmers; but I knew then exactly what would happen when those men went back to work and the backlog of livestock began coming on the markets. The same old story — when the heavy runs are on, low price; they deliberately depress the price knowing that if they are going to make their profits they must depress the price of the raw material that they purchase, and that provided them with a wonderful opportunity to do so. Mr. Gardiner conveniently arranged things so the farmer would absolutely have to sell his cattle if he was in the position that he had to purchase any amount of feed at all.

Mr. Speaker, I do not know of anything that has so much disturbed the farmers of the entire Dominion of Canada as that decontrol measure that went into effect on October 21st. In the words of the president of the Canadian Federation of Agriculture, he said he had never seen the farmers of the Dominion of Canada, from east to west, as much aroused by any action of any government at Ottawa or any place else, from that policy. And believe me, Mr. Speaker, these things may go into history, but the farmers of this province have pretty long memories and they are going to remember these two months when they took a licking on their livestock, and they haven't forgotten yet, under the new policies, the uncertainties and things that might happen to them later on. We are not out in the clear by any means.

Then, of course, along came January 1st, and the announcements were made that the new contract prices with Britain would be increased — a substantial increase in the case of pork products — a very, very, nominal increase in the case of beef. What happened, Mr. Speaker? I hear the members opposite say that there are no 'classes' in the Dominion of Canada, and that we have only one class, but I say to them that there is one class in Canada that seems to think that the masses are always going to be just 'asses', but I am going to say to them that you can fool some of the people some of the time, but you are not going to fool all of the people all of the time; and the farmers of Saskatchewan have been hoodwinked on so many occasions that they are not going to fall for any of the 'Tuckers', and the speeches of atonement when he says restitution will be made. You bet prices went up in the air! In January, 1948, Tucker went up in the air too — he flew down to Ottawa, when he saw the big mistake he had made. Mr. Gardiner got out of Saskatchewan too — things weren't so healthy at that time — things were pretty hot here — he went back to Ontario, Mr. Speaker. He didn't stay there very long either, he went across into the States for a well-earned vacation after his political stumping in Western Canada.

I was down in Ontario in the first part of November and I found the same situation there: farmers marketing their hogs hand over fist; some farmers talking about knocking their pigs on the head. One farmer came to town, I am told, in Ontario, with a load of little pigs and he put a sign on his truck which said "pigs given away for sale, so take your pick", and he walked away to get his dinner and when he came back, instead of having 12 pigs in his truck he had 24 pigs in his truck. Nobody wanted pigs in Ontario; they tell me they were running around the roads. And then you find Mr. Gardiner saying that we haven't ever had a finer agricultural policy than we have now, at intervals, but you never know when you are going to be at next, and, Mr. Speaker, I submit we are in exactly that position.

I think Mr. Boyle mentioned the increases that took place in the prices that the farmer received in November and December; and the wholesaler charged the retailer after January 1st. Well, then, everyone knows that it takes about three weeks to process a side of bacon. Now, the packers had a good accumulation of stock, and it is estimated that their inventory value was increased by about \$9,000,000; a pretty nice nest egg — if I do say so myself, They will argue on figures and say "We did not make that;" but there is a pretty good indication. We know approximately what their inventories were — it is common knowledge what the increases were; and, therefore, their inventory value did increase approximately \$9,000,000. What happened in the country? Why there was one price for pork at Yorkton; there was another retail price at Regina; another one at Lethbridge; until the Federal Government now has got so alarmed that they said they would put ceiling prices on again on meats — but I am suggesting, Mr. Speaker, that if they are going to have controls, let controls be extended throughout. You cannot have half controls and half de-controls.

At the present time, coarse grains are completely decontrolled; they are back in the hands of the speculative grain trade. The farmer does not know, today, what the price of his feed may be tomorrow, and neither does the farmer today know what the price of the barn that he sells is going to be to him. So, the field of restitution is wide indeed; and the Canadian Federation of Agriculture itself has passed a Resolution asking the Government to make good the losses to the livestock producers of this province that took place in the months of November and December, at least. The hon. members opposite talk about the responsibilities of the provincial government as to feed. Who put the price of feed up to the man in the drought areas? Who is putting the price of the seed up today, if it is not the fallacies of the Federal Government in Ottawa? They could have very handily done as I suggested to the hon. Federal Minister, taken control of that grain — put it in the storage terminals at Moose Jaw and Saskatoon — and made it available for our farmers at the old price, if they wished to. They could have done all of those things. But, no precautions were taken whatsoever — I will have some more to say about that, Mr. Speaker, when the Debate on coarse grain de-controls comes up in this Legislature.

Now, the situation is that the farmer in the livestock producing business does not know what prospects are ahead for him. Should we have a short crop next year — it is very understandable that barley might jump right up to \$2.00 a bushel. Imagine what that would do to not only your hog raisers, but to your dairy industry and to

your poultry industry — and to your livestock industry generally; but they did not get out of subsidies altogether, Mr. Speaker. It has been argued that they were getting away from subsidies — that they did not want to pay any more feeder subsidies — but we still pay the freight on livestock being shipped to be fed in Ontario — we still pay the freight on our coarse grains and fees to Ontario — and I could not see any reason in the world why a feeder subsidy could not have been paid back to our own producers, particularly our hog producers in this case, that would cover the loss that he was bound to sustain when he marketed his grain in that interval after the de-controls on October 21, and before the new prices were announced in January, 1947.

Now, Mr. Speaker, these are the reasons in the main — and I could count you up quite a few more without having to exercise my brain too much — the reasons why the House has come forth with this particular Resolution; it is timely indeed. In my opinion, the Resolution, perhaps, does not go far enough.

We have got to remember, the prices of coarse grains must be tied in and bear relationship to the price of animals and dairy products — or vice versa — whichever way you want it. Mr. Gardiner says that the price of wheat will largely control the price of coarse grains — will keep it down. That has not been the case with rye, and it will not likely be the case with coarse grains, if coarse grains are in short supply. Now, I say the opposite; we have tried everything. They subsidized the prices of coarse grains; now they are going to try to have wheat be the controlling factor in the price of coarse grains, but I am saying that the price of coarse grains must be related to the price of animal products, and, of course, must be in fair relationship to the price of wheat. In other words, we have got to have stable prices throughout, for agricultural commodities, with a fair price relationship between all categories of production, in order that we can have a well-balanced agricultural policy for the Dominion of Canada.

That day is gone, when, by price manipulation, we can do as they callously say "gear product on to demand" by depressing prices, liquidating people out of that particular production, and by vice versa. I would like to know where our 'free enterprise' friends' big business would go if the federal Government said to them: "The price of your raw material today is going to be \$50.00 a ton in the case of iron ore, and by tomorrow it will be up \$100.00 a ton." They could not begin to stay in business. Or if they were told that this year they could make automobiles, and next year they would have to make threshing machines — that is exactly what they are trying to do with the agricultural industry. They are switched from one thing to another; the average farmer in the country is so befuddled in his own mind, by all of this confusion, that I have often heard them say — particularly with reference to the Hon. Minister of Agriculture at Ottawa — 'If Mr. Gardiner tells you to do one thing, just do the opposite and you will just about be right'. That is the general consensus of opinion among farmers.

Now, Mr. Speaker, having tried to indicate to this House, to this motion to the Federal Government, what we consider are measures that will have a stabilizing effect on our agricultural economy — I take real pleasure in supporting the motion.

Mr. Howell (Meadow Lake): — I would like, Mr, Speaker, to say a few words in support of the Resolution that has been moved by the hon. member for Kinistino. I do so because, like most of the members here, I happen to represent a constituency that is concerned mainly with agriculture. A lot of people might be surprised at that, after all that has been said and written about fish, fur, timber and timber wolves, — but in spite of all that, the Meadow Lake constituency is one in which agriculture is definitely the most important industry; and not only that, but mixed farming is the most important type of agriculture carried on in the Meadow Lake area.

Every little town, village and hamlet has seen, for the last number of years, a large number of livestock shipped out — one might say — weekly. I know, that at Meadow Lake, for example, in one year just recently — I think about two years ago — about 470 car-loads of livestock were shipped from that point in one year. Most of that would be hogs and cattle.

In the southern part of the Meadow Lake constituency, nature has been rather unkind to the farmers there, by giving most of them crop failures for the last three successive years; and as a result, they have had to depend more on livestock than they ever did before. It seems to me most regrettable that any farmer who had started up in the livestock business — and particularly the swine industry — that this Resolution concerns today — that it is rather unfortunate to see him going out of that business simply because he has little or no confidence in the policies carried out by the Federal Government.

That is exactly what is happening today throughout the province of Saskatchewan which I represent. Farmers that have been in the livestock industry and the swine production industry for a long time are either ceasing that type of farming or are at least curtailing their production a great deal. I think there are two main causes for this. One is the instability of the market, and the second is the lack of parity prices — I think the 'parity prices' probably includes the term of stability as well. So far as instability of the market is concerned, I think that the packing-house strike certainly had a great deal to do with depressing the ambition of farmers to carry on in the swine production industry, for reasons that have been stated very ably by the Minister of Agriculture, in this last few minutes. At the close of the strike, throughout the area which I represent, I know that many farmers who had

a backlog of hogs that are ready for market, sold them as soon as the market opened up, and had to take — in some cases — a lower price than they could have got some two weeks before; and at the same time they had had to feed the hogs an extra period of time.

Another serious factor in depressing the swine production industry, has been the time between the date on which the price ceiling was lifted on feed and the price at which the new contract price was announced at about the time of the new year, when the price of hog products raised considerably.

I have noticed too, that when one studies what is called the 'hog-barley ratio', that one can see there, very easily, the fluctuation in price or the instability of the hog market. The hog-barley ratio is simply a ratio by which one can determine how many bushels of barley — of Number One feed barley — will be equal in value to 100 pounds of B1 hogs at Winnipeg prices. We look at the 1941 period — looking at the figures for each month — we find that there was a difference throughout the year, of from 18.1 to 18.3 bushels in the hog-barley ratio. That is not very much, Mr. Speaker; one-fifth of a bushel per year is good, in my opinion, so far as stability is concerned; but there are other factors beside stability that count. In 1945, we find a spread from 17 to 19.1 — that is 2.1 bushels — a considerable spread; but it gets worse as we see. In 1946, a spread between 17.1 and 20.3; there the spread is 3.2 bushels throughout the year; but when we got to 1947 — the year that just passed — we find a spread from 14 to 21.5 bushels; a spread of 7 bushels and one-half, which could be figured at either 50 per cent or 33 1/3 per cent — whichever way one wishes to calculate the figures. I think that in view of the instability there in the hog-barley ratio, it is little wonder that many farmers, last fall, sold their breeding stock.

When we think of parity prices, in my mind, we have to keep in view not only the stability of the market, but we have to keep in mind the cost of feed, the cost of the labour, and the overhead and all of these factors which go into the cost of production. And certainly it is the responsibility, and only lies within the ability of the Federal administration to bring about parity of prices. Parity and stability, in my opinion, are both necessary before confidence can be restored in the swine production areas.

As far as the provincial government is concerned, there are two policies in effect that I would like to comment on briefly. One is the 'Municipal Boar' policy, which has been in effect for the last 11 years. Under that policy, any municipality or any L.I.D. can purchase from the Provincial Department of Agriculture, a certified boar for the price of \$40.00. The Department of Agriculture pays anything in

addition to the \$40.00 and the cost of express and freight, etc. Half of this expense is shared by the Federal Department of Agriculture. The other half is looked after by the Provincial Department of Agriculture. It is not surprising at all to me that as a result of that policy which has been carried on for some time, a larger percentage of Grade A hogs has resulted. There is an innovation which this Provincial Department of Agriculture is responsible for, that is, the Advance Registry Clubs. Under this policy, selected sows are obtained and are turned over to certain clubs in certain areas to manage. This part of the policy is organized by the Agricultural Representative services, and I understand from the swine breeders in areas where this has been tried out, that it is certainly a very popular move.

In conclusion, may I say, Mr. Speaker, that we need in Saskatchewan, a diversified economy. Most farmers believe in a diversified agricultural economy, provided that water and various things like that are at hand for livestock. But we are going to have a diversified farming economy; if we are going to have an adequate swine production, a different policy is going to have to be carried out by the Federal Department of Agriculture. In my opinion, that policy summed up very well in the terms of the Resolution which is now before this Legislature. The province cannot do all of it. In my opinion, the Provincial Department of Agriculture has done a great deal to assist in the developing and maintenance of the swine production industry; but stable and parity prices will have to come from the Federal Government. I am confident that if the Federal Government carried out the policies suggested in this Resolution, we can restore confidence in the swine production industry in Saskatchewan; and that swine production will return to its normal place in our economy, and from there grow to a point of greater and greater importance in our general economy.

Debate adjourned by Mr. Danielson.

House adjourned at 5:50 o'clock p.m.