

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session - Tenth Legislature

Thursday, March 4, 1948

The House met at three o'clock.

BUDGET DEBATE

The House resumed from Wednesday, March 3, 1948, the adjourned debate on the proposed Motion of Hon. C.M. Fines (Provincial Treasurer) that Mr. Speaker do now leave the Chair (the House to go into Committee of Supply).

Mr. Maurice J. Willis (Elrose): — Mr. Speaker, my I first congratulate the Provincial Treasurer on the presentation of his Budget, which he did in his usual capable manner.

This afternoon, I would like to speak for a few minutes on some of the things this Government has done in relationship to agriculture. I think all the hon. members will agree with me that we all recognize that agriculture is the basic industry of this province; and that we have established in this province a very fine Agricultural College at our university, and it is staffed by very efficient members of the faculty. As a result of that we have turned out some of the finest graduates in agriculture that have been turned out by any agricultural college on this continent. Our graduates are in demand to the line south of us, and are making their contribution in their respective fields to the nation south of us.

This Government early saw the trend seeing our graduates leave this province, and little use being made of them in this particular field. As a consequence of that trend, and in order to check it, they immediately embarked upon the setting up of more districts; in fact, an additional 22 districts. In each of those districts they placed a graduate who worked in co-operation with a district committee, and the district committee, in turn, had other committees that were interested in agriculture. The purpose of the whole set-up was to bring better farm methods in regard to soil conservation, the control of weeds, water erosion, and other problems that the farmer faced; and bring that information to the farmers, and to work co-operatively with the farmers in the solving of those problems.

We have always believed that, since agriculture is our basic industry, good care of our soil should be taken so that those that follow will be left with something better than it was our heritage to receive. In the soil conservation project and program we have it divided into eight points. Due to the work of those agricultural representatives, the first point was a soil and water competition to encourage members to become interested in that field; and secondly to provide grants for the road allowances, and grants are made of \$200 per municipality. Thirdly, in weed control, particularly in the eradication of certain weeds like leafy spurge and field bindweed, a grant of \$200 per municipality is made.

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Then, in the reclamation of alkali, suitable seed to the amount of \$100 is given to those municipalities that seek to overcome that difficulty.

And then there are soil-drifting projects in which the agricultural representative plays a very large part. The project is worked out by the agricultural representative and the District Board; and a grant of \$500 will be made to those municipalities that seek to undertake a project of that nature.

In regard to water erosion a grant of \$500 is made to the municipality to help to finance that project, with the municipality putting up a like amount.

There are other projects which the agricultural representative and the Department of Agriculture will undertake; and grants of \$100 are made to undertake the beginning of those projects.

In regard to weed control, the Department of Agriculture have four Spray Motor machines located in four supervisory areas to demonstrate to rural municipalities the value of 2-4D.

According to a survey that has been made in this province already, by the agricultural representatives and the members of the university, this province is in danger of a grasshopper infestation next year. Already municipalities have been written to, advising them to order early the ingredients for the preparation of poison, which will be distributed free to the municipalities.

All the success of these various measures are due to the splendid service given by these young men who are graduates of our own agricultural college; but last year, one greater service was performed by these young men when we found, during the heat of last summer, that parts of this province faced a complete, or partial, crop failure. Many of these representatives voluntarily gave up their summer holidays to go to work and try and meet this emergency. As a consequence of that service rendered to the people of this province, they immediately went to the people in the drought areas to put up every ton or half-ton of feed that was available, and many hundreds of tons of hay and fodder that otherwise would not have been put up, were put up; and on the advice of these representatives much of the grain that would possibly have been left was cut for feed and stacked, and prevented a great emergency arising in certain areas. Besides that, the Department of Agriculture became very busy taking other steps, which I shall later dwell upon; they encouraged hay-making machines to be sent from the dry areas to the more fortunate areas where there was hay, and paid the freight on much of the equipment.

In some areas they gave assistance in the paying of hay equipment to areas where there was hay and fodder available. And what is the result of this emergency program? The result is that 3,331 tons of hay has been moved by rail; and the freight rebate paid by the Government is \$6,109; 2,834 tons of hay were moved by truck on which the government paid a rebate of \$6,049. The assistance given in moving hay machinery amounted to over \$2,000, and there were put out 2,995 tons of hay, by the assistance given to those people by hay equipment machinery.

Besides that, the Department was in the market early and placed orders for 1,500 tons of hay, and now I have had letters that indicate that this Government can give farmers hay at a price that they cannot buy it on the open market.

Moreover, due to this far-sightedness policy the emergency has been met. In the case of coarse grains the same is true: immediately municipalities were notified, and elevators where there were coarse grains were asked to keep that grain and not ship it out, so that we would not have a repetition of the policy used by the former Liberal government in this province of letting the grain move out and then paying two prices to get it back.

I cannot commend the Minister of Agriculture and his staff too highly, and I am sure the farmers will join with me in those commendations. Agriculture has not been forgotten by this Government, as I notice that over \$2,000,000 will be spent on agriculture in the estimates of 1948-49. I trust our Liberal friends will tell the people what they spent when they were in office — the amount spent in 1944, the year of the election, was \$490,000. In 1943 this was \$405,000. In other words, our Budget for agriculture, this year, is four times that of the former government in its last year of office.

When this Government was elected it was elected as a people's government, and, Mr. Speaker, I contend that one of the pillars of a true democracy is the basis of the similarity of people. On this thesis the roost unfortunate of our society has received first consideration, and I commend any government for taking that policy.

On this afternoon, for a few minutes, I would like to present to this House, Mr. Speaker, the amounts this Government is spending on those unfortunates: first those who are the recipients of Mothers' Allowances. The average yearly amount paid per family, in 1941, was \$165.41; in 1942 \$167.25 per year; 1943 — \$208.47 per year; 1944 (the year my friends across the way were in office) — \$234.15; in 1945, \$313.63 in 1946 — \$410.21. The increase in the average payment per year from \$208.47, in 1943 to \$410.21, represents an increase of 96.8 per cent.

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We have been criticized that our Budget is too large!

The same can be shown in regard to the amount that each child receives per year. In 1941, it was \$62.97; in 1942 — \$63.87; in 1943 — \$90.66; in 1944 — \$97.78; in 1945 — \$132.68; in 1946 — \$173.96.

Mr. Procter (Moosomin): — Is it not a fact that where there was only one child in the family in 1944, that the mother received \$15 for the one child.

Mr. Willis: — I am quoting averages.

Mr. Procter: — You can quote averages, but I asked you if it is not a fact where there is one child the payment was \$15 per month for the one child.

Premier: — And nothing for the mother.

Mr. Willis: — The mother receives \$25 and previously it was \$15 per child; but the mother lived on nothing, under the former government.

The increase is more effective when it is considered that, in addition, these cases receive the benefits of free medical, dental and optical care. The number of families assisted in 1946 was 2,117; and the number of children in 1946 was 4,992. The total expenditure on those two classes alone was \$868,403. Now, would my Liberal friends say we should cut down that amount because our Budget is large? We have heard from the Leader of the Opposition that our Budget is too large and we are going to ruin this country. I contend, Mr. Speaker, that the first consideration must be to human needs, and this Government has consistently taken that stand and will do so in the future.

In regard to pensions for the blind: in 1943, the average: monthly amount was \$19.86; in 1946 — \$24.83. An increase? Certainly! But why shouldn't those people have something with which to live!

Social aid to help other unfortunates has risen by \$100,000 from 1944 to 1946: 1944 to 1945, it was \$474,684.73; 1946, it was \$558,404.61 . . . Almost \$100,000 to help the unfortunates in this province.

Since we were elected we have inaugurated in this province the Saskatchewan Hospital Service Plan. The total expenditure under this plan, in 1947, including administrative costs, was \$7,288,000. Of this, \$3,800,000 or 52 per cent, was raised by the Hospitalization Tax. The balance was paid from the general revenues of this province.

Grants and loans to assist in hospital construction have amounted to \$649,000. I believe there is not another province in the Dominion that makes grants for the construction of hospitals. The number of hospital beds rose by over an additional 300 in 1947, and it is estimated that it will be further augmented by 1,000 more beds in 1948. In my own constituency of Elrose, three more hospitals have been opened since 1944 — when this Government took office they were closed, and I feel that other members have had the same experience in their respective constituencies.

This Government has seen fit to operate one of the first air ambulance services for the people. From February 1946 to December 15, 1947, 681 patients were flown to hospitals. Sometimes it is thought that this service only helps those where there are no hospitals, but, Mr. Speaker, that is not the case. Very often there are cases where the small hospital cannot help those unfortunate, sick persons and, consequently, they have to be flown to the centres that have specialists. In my own constituency, where we are quite proud of our hospital, at Eston, we had the air ambulance come in a year ago, and fly a patient to Regina and thence to Rochester. I feel sure, by so doing, we were able to save that man's life. Just the week before last, in the village of Elrose, a girl was very seriously ill and it appeared that her life was in danger, and the local doctor had done almost all that he could do. She was flown to Regina and the report this afternoon is that she is making very satisfactory progress.

Other preventative services, aided by the present government, or added, are mental hygiene, nutrition, industrial hygiene, health education, physical fitness program and chest x-ray service in hospitals. As these services have been expanded to meet the needs of the citizens, it has meant greater expenditure, but, Mr. Speaker, I submit that money spent on the health of our people is a sound investment and aids in building a stronger Canadian nation. We have no apology to make on spending money to meet the needs of our people.

I wish now to turn for a few moments to my own constituency of Elrose, which I have the honour to represent. To my Liberal friends in the opposition it should be classified as the forgotten one. It is a constituency that is almost entirely agricultural land and much of it is the very best in the province. The farmers, being very progressive, early turned to mechanized farming, but the former government seemed to forget those people. Those people paid gasoline taxes like all the other people of this province but looked in vain for any of the revenue to return in the way of roads — nothing was done. This Government early saw the injustice and have constructed and gravelled parts of highway 44. I believe, in all modesty, there was no town in Saskatchewan with a population of 1,000, as Eston, that did not have one gravelled road out; but that was the situation in the Elrose constituency. We are doing all right now and we are just getting our due regard. We have been waiting a long time, the people there.

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We are fortunate not only in having a gravelled road from the town of Eston to number four, but also since Christmas we have had a government bus. The Leader of the Opposition would have this Government, of course, build the highways for the use of the Greyhound Bus Company. I hope that his candidate in the Elrose constituency will tell the people that is the policy of the future for the Liberal Party. The trouble in this province, for too long, we have 'taken the cream from the people, leaving only the skimmed milk' We believe people 'like to taste the cream they have produced'.

Mr. Procter: — The Weyburn constituency got it.

Mr. Willis: — I know it is a great change but. I feel surer the electors have had no ill effect since June, 1944.

Power transmission, like highways, was forgotten in the Elrose constituency by the Liberal Party. In the constituency the only power line built was from Abbey to Eston by the Conservative Party. This Government has extended electrical power to nine more villages and hamlets connoted with Eston.

Now let us look at the record of the operations of the Saskatchewan Power Commission, in spite of shortage of materials. In 1944 there were 1,626 miles of transmission lines; there were 146 villages and towns served; the number of services was 12,989. Now, in 1947 what do we have? We have 3,540 miles of transmission lines; 343 villages and towns served; 45,087 the number of services: and an increase in miles of transmission of 1,914; the increase in the villages and towns served, 197; and the increase in the number of services — 32,098. Mr. Speaker, I submit that this is a record we are proud of, and have due reason to be.

I was quite surprised that the Leader of the Opposition became quite indignant because this Government had no Leduc Oilfield development. Yet, I recall, in Elrose during his regime, when farmers got their fuel oil at Coutts, Montana, and had to take their lunch with them as they could not afford either the price of a meal or the money to pay for a room and had to sleep under their trucks. These farmers have not forgotten what 'free enterprise' did in those days.

However, I feel sure another cause might be attributed to his indignation. There are certain large animals that hibernate, or go into retirement, and upon being aroused from their hibernation or retirement are ill-tempered; and I think the Leader of the Opposition's short retirement might have something in common with those animals.

Mr. Speaker, we are proud of the record of this Government to meet the needs of the people and feel confident, in the near future, that the electors of this province will endorse our actions. I, therefore, Mr. Speaker, shall support the Motion.

Hon. J.T. Douglas (Minister of Highways): — In rising to take part in this Debate, I first want to extend my congratulations to the hon. Provincial Treasurer for the masterly manner in which he placed before this Assembly the financial statement of this province. And I would also like to compliment him on his ability to meet the rising cost of administration and the cost of greatly increased social services, without increasing taxation.

At the same time he has been able to retire large portions of the Public Debt and mostly from current revenues. Truly, Mr. Speaker, it has been a remarkable Budget, and it is a particularly practical demonstration of what a government can do for the people, when they undertake to plan a program of services in true relation to our accounts.

This is our fourth Budget after approximately three and one-half years in office, and we are providing for the extension of social services given to the people by increasing Old Age Pensions; by increasing educational, health and social services; by increasing aid to agriculture and rural municipalities; and by the rapid expansion of our highway, telephone and power programs. We are providing for these services without extending the field of taxation or increasing the rates of taxation in any of these fields.

I would also like to congratulate the Leader of the Opposition for his attempt to criticize the Budget. I know his task was not an easy one, and I am sure he conveyed to those who heard him the feeling of frustration that prevails in the Liberal camp. There were at least five times when he inferred that the Liberal government would be returned and be responsible for bringing down the next Budget. If he proved anything, it was that this Government had given more action in three and one-half years than the Liberals had in 34.

It was very noticeable that the Leader of the Opposition skilfully evaded any reference to free enterprise, but rather boasted that the Liberals were responsible for setting up Government owned and controlled operations; enterprises such as the telephones and power systems, the liquor Board and the Farm Loan Board. I wonder if it is a case of 'the scales falling from his eyes', or is it a case of seeing or testing the pulse of Saskatchewan's electorate. In any case, I do not blame him for shunning the term 'free enterprise', it now smells as strongly as Excess Profits in big business and higher prices for the consuming public as the term 'capitalistic system' ever did.

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The Leader of the Opposition bemoans the fact that this Government is spending too much money. Let us tell him that the reason he sits in the Opposition benches, today, is because his government failed to wisely spend money for those services the public now demands; services for which they are prepared to pay so long as they know they are getting value for their money.

Mr. Speaker, I know of no better illustration than Saskatchewan's highway system. The previous administration left the highways in such a deplorable condition, when the Liberals went down to defeat in 1944, that the public have not forgotten; and they have not forgotten the mess this Government inherited in 1944.

Let us tell you, at that time, at least 70 per cent of the highway system which we inherited was entirely worn out. There was less than 100 miles up to the standard that we are now constructing; and it meant that practically the entire system, of over 8,000 miles, had to be reconstructed before it is brought up to a standard that could be properly maintained.

I want to say, Mr. Speaker, that that was not the only difficulty we found when we took over, I found the staff almost practically denuded of engineers — we only had a small handful of trained men. Since that time we have eliminated many of the political organizers on the staff, and we have replaced them with trained men. I know this House will be pleased to know that we have continued the policy I inaugurated in 1945 when, in conjunction with our universities, we have gone there year after year and interviewed the graduating class of engineers and as far as possible met our requirements from boys graduating from the universities. I would like, Mr. Speaker, to congratulate our university for the splendid type of men which I found they have been turning out, and I can assure this House that these young men who are coming to us are doing a good job; and already in a short time we have been able to advance some of them to positions of higher responsibility.

What was true of the staff was more marked in the field of equipment. I found that this Department had no modern construction equipment at all when we took office: I believe we owned a few pieces of equipment, but they were on loan to the Northern Areas Branch.

In the field of maintenance the same story prevailed, although not quite as bad — there was a little equipment there. Now, I am glad to inform this House that we have today enough modern construction equipment to field nine complete earth-moving crews. We have three hard-surfacing crews: these crews are equipped with the very latest modern equipment, the very best of housing conditions, and in the coming year we will equip these crews with a workshop and a trained mechanic. As a matter of fact, I am very sorry that I was unable to bring down the exact costs of the work being done by our outfits, but we do know that this work is being carried on, in many cases, much more cheaply than any job we have done in the province to date.

When I say that would like to point out, also, that while costs have risen considerably in Saskatchewan since 1944, they are yet a long way from being as high as our neighbours to the South. I might say that, in 1945 the average cost for contract work was approximately 15 cents per cubic yard for earth excavation; in 1947 the average was 19.2 — an increase of approximately 34 per cent. However, I find in comparison with the United States that there the average price for earth excavation in 1947 was 38 cents per cubic yard. I want to pay tribute to the men who have performed this work in the province — very good work has been done by them; and I want to say that a very good relationship exists between the Department and those men who have been contracting for us. And there has been, and will continue to be, friendly rivalry between our own Department outfits and those of the contractors, and I am also glad to inform this House that they have now got the equipment in the province to complete a very extensive program in 1948.

Mr. Speaker, I would also like to call your attention to the work done by the Department of Highways since we took office, in comparison with that done by the former administrations. In the four seasons that we have operated in the province, we have constructed, or reconstructed, approximately 1,680 miles of road. That means a mileage almost equal to the total of the Manitoba system, which is just slightly over 1,700 miles. We have gravelled over 4,000 miles of road, which is much in excess of the Alberta provincial highway system which is around 3,100 miles. We have practically trebled the amount of blacktop in this province.

For 34 years the Liberals were in power in this province and we will have to admit that during the entire 34 years no serious attempt was ever made to bring the highways of Saskatchewan up to a proper standard. To prove that statement is the fact that I gave you a moment or two ago; that when we took office in 1941, 70 per cent of the entire system was completely worn out. Mr. Speaker, I know of no more damning evidence against a government than to allow their system of transportation, which is so badly needed in a province such as ours, to deteriorate so much.

When I say that we have done this extra amount of work, as it was pointed out in the House a few days ago, we have done more than double the work that the former government had done, that is only half the story, because the type of road which we are now constructing requires, at least, twice the amount of work to build a grade as the roads built on a 66-ft. right of way, which largely prevailed in this province prior to 1944.

I would also like to draw to your attention that the only time there was any serious attempt made to bring the highway system of this province back to condition was during the Anderson government when, in the years 1930 and 1931 they did inaugurate a very extensive system of road building. But in their peak year of 1930, they did not anywhere

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come close to our record set in 1947, for the amount of earth moved; for the miles of gravel laid or for asphalt work done. But, I want to tell you this, Mr. Speaker, in that same year they spent approximately one million and one-half more than we did in 1917 for doing much less work, and at a time when construction costs were much lower than they are today. The equipment was lower in price and so were wages.

Before I leave the matter of construction I would like to draw the attention of this House to some of the things we accomplished this year — I am not going through the whole program, but I would like to point out to you that outstanding among our accomplishments was the completion of the road to Lac la Ronge — which now gives a good gravelled highway up to the pre-Cambrian shield. We have also bituminous-surfaced that section of 39 highway from Weyburn to Roche Percee — and I want to say, in passing, that that is the largest continuous stretch of bituminous surface road constructed in Canada during 1947. I was interested to note that the Imperial Oil, in their advertisement in the latest copy of "Roads and Bridges", has several photographs showing the work on this stretch of road.

I might also point out that this road, which forms part of our main north and south arteries, is one on which we have made very great strides. We have completed construction from Weyburn to Lang this year, and you will remember that, last year, we completed from Lang to Corinne. We have also made considerable progress on that section of number six from Corinne to Regina. We have rebuilt that section of number two from Moose Jaw to Tuxford. At the northern end of the route we have completed construction, lacking four miles, of number two highway from Prince Albert to the Park; and on number eleven completed the bituminous surfacing from Dundurn to Saskatoon. Mr. Speaker, when this road is completed it will form the main artery for tourist trade from the United States to our northern playgrounds. I am glad to report to the House the progress we have made during 1947.

I spoke about the cost to this Government, of the roads built by the former Conservative administration; but there is one thing I did not tell you at that time and that was while they spent more money than we did, built less miles of roads, they did receive from the Federal Government, in aid, some \$1,800,000, or approximately seven per cent of their total cost of \$26,000,000. From current capital they spent almost \$10,000,000, or 37 per cent; but they added to the capital debt of this province some \$14,700,000, or 55 per cent of the cost. The result is that today we are still paying interest on that back debt.

I find when we took office in 1944, that we had a total of \$32,000,000 charged up against this province for roads that were built by former administrations. Now, \$32,000,000 is approximately 37 per cent of the total of \$87,000,000 . . .

Mr. Procter: — Is that \$32,000,000?

Hon. Mr. Douglas: — Yes, a little below \$32,000,000. I can give you the exact figures if you want them.

. . . and the total spent in this province up to 1944 was slightly over \$87,000,000, so that amounts to 37 per cent of the total amount of money spent in Saskatchewan on roads at that time.

I want to point out to you, Mr. Speaker, that that has cost us a great deal of money: in fact, it has cost this province, since we have taken office, over \$5,500,000 in interest charges alone. If you will take the debt as we had it in 1932 and the debt as we have it today, it is almost equal. During that time we have added approximately \$3,000,000 because of roads built out of capital account (roads and bridges), so we have practically retired as much of the debt as we have added to it. The point I want to make is this: had it not been for that debt which we were saddled with when we took office, we not only would have completed this extensive program of ours totally out of current account but we would have had another \$5,500,000 to spend on our highway system.

I want to say again, I congratulate our Provincial Treasurer for being able to finance this province in such a way that we may carry on these extended activities without the incurrence of further debt by the province.

While we have carried on this extensive program of work we have done it entirely from our own resources; we have not received a single five-cent piece from the Federal Government in the way of grants. I find that former governments have, in the past received grants from the Federal Government — not the percentage they should have received but they have received some.

At this time I would like to draw the attention of this House to the conditions which prevail across the line. There, as we all know, they have a very extensive system of main arterial roads either bituminous surfaced or paved. But, if it had not been for the Federal aid which has been given there since 1916 on, it would not have been possible for States, such as North Dakota and Montana, to the south of us here, to have this fine system of roads. I find that, for the past three years, the State of Montana has been receiving \$8,000,000 from the Federal Government at Washington for their very fine system of roads. Give us in Saskatchewan \$8,000,000 for three years, and we would show a much greater system of paved roads than we now have. I want to state that until the Federal Government enters this picture it is going to be impossible for this province to hope to compete with the States across the line.

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We are today, I believe, spending to the limit of our resources on highways and, as I mentioned a moment ago, we cannot compete with Montana, who is spending approximately the same amount of money from their own resources as we are, unless Ottawa assumes some of the responsibility and steps into the picture. There has been a great deal of pressure placed on the Federal Government to give some assistance for road building purposes. I would like to inform this House that it was in January of this year that the Public Works Ministers from the four Western provinces met in Vancouver, and we were all agreed that Ottawa should give assistance in this matter if we were ever to hope to compete with our American neighbours.

I was amazed, this Summer, to see in an issue of the Financial Times that Canadians had spent over one billion dollars in the United State, where — as the Americans had spent only \$4,770,000 in Canada — less than half the amount. On the basis of population it should have been more then reversed, and on the basis of our attractions, which we have in this country, it could easily have been reversed. We have to be prepared to spend more money on roads than we have in former years, but in order to do so Ottawa must assume some of their responsibilities. Already we are thirty-some years behind the American people in this respect, and I sincerely hope that the Federal people will realize the amount of money it is costing, not only Saskatchewan, but the entire Dominion in not being able to give the American tourist a proper road over which to travel.

I say, Mr. Speaker, that that is one of the main reasons we are not getting the American tourist trade which we should be receiving; the other reason is that we are not giving the accommodation we should be giving, and the third reason, which I would like to mention to this House, is the campaign being carried on by the press in this province. Last summer, as many of you may recall, there was a column in our papers headed "How are the roads?". I was away at the time when it started, returning from my holidays in British Columbia, and I was rather amazed at the difference between the campaign being carried on here and the campaign being carried on in British Columbia.

I would be the last one to ask the press in this province to go out and give a false picture of the road system in the province, but I would ask them to be truthful about the matter. I noticed when I was in British Columbia the press had gone up the Island, and had gone over the roads, they were not good, and they didn't camouflage the picture any; they told the tourists what was happening but they gave them the reasons why the roads were in bad shape. They also pointed out to the tourists the amount of money and the amount of work the province of British Columbia was spending on those roads in order to bring them back into shape. What I want to say, Mr. Speaker, is that I travelled over those roads and I noted the work that was being done — exceptionally good work — but nowhere, in my entire trip from here to the coast and back again, did I note anyplace — any province or any State — carrying on the extensive system of road work that we were doing in the province of Saskatchewan.

I have here, Mr. Speaker, some correspondence, and a clipping, that I would like to bring to the attention of this House. Some of you may have seen this — it is a picture of road under construction down at Forget, and I want to say that this is a piece of deliberate falsehood — it is a strong statement to use but it is a fact nevertheless. A gentleman reporting for the Leader-Post called at my office; unfortunately, I was out. He went to the staff and received the information from them, but made the statement incorrect. He was told that this piece of road was under construction; he was told that they started one day at noon and finished that night, and gravelled the next day. Yet you have this picture here showing the road in very bad shape, and saying it was a true picture of the highways in that area.

When I came back I wanted to be sure it was right and I got in touch with the District Engineer, and I would like, Mr. Speaker, to read to you a little of what the District Engineer said about this matter. I say this because I want to place the civil servants in a fair light; after all this is a reflection on the men who were in charge of this piece of road, and I maintain that the campaign being carried on by the press in this province was a nasty reflection on the men who were trying to work, in many cases, with equipment that was worn, out of date, should have been in the ashcan years ago, on a highway system that is in the same category; because it has been impossible for us to completely recondition these highways in the years we have been in.

This is what the District Engineer said: "This work was started at 1.30 p.m. Friday, June 13, and was completed by six p.m. the same day; all roads being completely broken up and levelled off, and the road left in an improved conditions. I have interviewed both patrolman, separately, and was informed that the surface was left in a smooth condition when they finished work at six p.m. These patrolmen informed me that at about 3 p.m. that day, at the time when all the sods were in the middle of the road, a car pulled up near the convent gate and two gentlemen stepped out and took several pictures of the road. Mr. Wright, who has resided in that district for over 30 years, and claims to know nearly everyone in the district, advised me that these two gentlemen were not of the Forget district and when they passed him he noticed that the car had a Regina licence.

Here is a letter I got — I do not know who wrote it, and he sent me the same clipping: "This portion of the highway has been impassable each spring and when this picture was taken the graders were raising the road. This has been gravelled since they improved the grade: a very misleading picture". I have a whole folder here of similar types of statements but that is a good illustration of whet the press has been doing. Not only have many of these things been untrue, but they have

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been most unfair, not only to this province but to the Dominion of Canada and particularly to those men who have been doing their best to try, and improve conditions under a very difficult situation.

I would like, Mr. Speaker, to revert again to the need of Federal aid, and I would like to mention some recommendations which I made to the Good Roads Conference at St. Andrews this year. At that time I said I believed the Federal Government should give the lead in six particular points: one, in getting the provinces together to discuss the importance of the completion of a hard-surfaced trans-Canada route with grading roads to the border and to our main National Parks; two, to correlate and integrate, where necessary, existing or proposed provincial routes; three, the acceptance by the provinces of a uniform systems of road signs; four, to standardize, as clearly as possible the type of construction used on our trans-Canada highway; and, five, to give financial assistance on such basis as proposed by the Dominion Government in their brief to the Dominion-Provincial Conference in August, 1945; six, to assist the provinces, where necessary, in securing money at a low rate of interest, for construction costs must be paid for from capital accounts.

I also notice in the last copy of the "Engineering and Contract Record", which came to my desk the other day, that the Canadian Construction Association which have been meeting in Quebec, also have this under consideration, and I want to take the time of the House to read a few of the resolutions which they have passed. The first one is in regard to the trans-Canada highway — I will not read the whole of the article, "Be it resolved that as this class of construction need not interfere with housing and industrial construction, the federal and provincial governments both be urged (1) to create road facilities which will encourage the development of natural resources, and the tourist trade; (2) to pay particular attention to the completion of a national trans-continental highway." They have another one here about the elimination of level highway crossings; and another one for Federal aid in provincial highway program. "That it be resolved that the Prairie Road Builders' Section of the Canadian Construction Association request the Canadian Construction Association to present to the Dominion Government a request that the Dominion Government recognize its responsibility in connection with trans-Canada roads; the tourist and traffic roads in each province to the United States, and signify their responsibility by granting sums of money to provinces for the actual carrying out of the work".

I am glad to note, Mr. Speaker, organizations such as this are realizing the need of Federal aid; and I am hoping that the Federal Government will not lose any more time in getting the provinces together and coming to some definite arrangement for this type of work. I mentioned a moment ago, the need of Federal aid, and the money being granted in the United States. In 1944, the Federal American Government set aside one and one-half billion dollars to spend in three years on road construction; this might be matched by the states assisted. I mentioned the amount

given to Montana as \$8,000,000. On that same basis, the basis of population, the Federal Government at Ottawa should be setting aside each year \$50,000,000 to assist the provinces in Canada. If the money were allocated on the same basis as is being done in the United States — that is on the basis of population, and on the basis of road mileage in the state — then, as nearly as I can figure, the province of Saskatchewan would be receiving \$100,000,000 from the Federal people to assist in our road-building program.

I want to point out here again that we have now reached a stage in this province where we have the equipment available, or in sight, that we could greatly extend our highway construction program. We have gone as far as it is advisable to go under our economy; but we all know the need for extended services, and I hope that the Federal people will realize their responsibility in this respect.

Now, I have mentioned some of the criticisms we have received, and before I close, I would like to draw the attention of this House to some of the nice things that have been said about us. I am not going to take up very much of your time, but I have quite a file here — I am not going to read them all, but I am going to read a few excerpts from them. The first one is from a reverend gentleman in the Northern part of the province and he states: "It would be very difficult to find words to describe what this new road means to people who travel over it. Maybe those feelings I used to experience when I had to drive on the old roads after a rain, with my heart in my mouth, and the goose-pimples creeping all over me, for fear of slipping into some deep ditch, would be a reasonable description of countless others." Then I have one here from a gentlemen who is the manager of one of the largest firms in this province, and they have a very extensive fleet of trucks: "As the operator of one of the largest trucking fleets in the province, depending largely on trucking transport for the distribution of our petroleum and flour, in addition to having at least 20 cars on the road in various services, we are all appreciative of the satisfactory progress made in your ambitious, sorely needed, highway building program. We realize the problem involved in financing and building roads in a large, sparsely settled area, such as is our province; and feel that our annual payment of approximately \$30,000 in Gas Tax, plus \$8,000 in licence fees, is money well spent, as long as the present progressive road building, snow clearing, and maintenance program is continued."

Here is another from a transport operator: "I wish, at this time, to thank you sincerely for the service which has been rendered by the Department of Highways in keeping the roads passable. I feel sure that because of your co-operation, my fleet has given more efficient service. Will you kindly convey to the Hon. T.C. Douglas and his government, my sincere thanks for making it possible."

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I believe, the other day — I wasn't present — but I understand some reference was made to the complaints of the commercial travellers about our highways. Well, I have one here from that organization, The United Commercial Travellers: "I have been requested to write you and compliment your department for the excellent job in keeping the highways open during the winter months." That isn't the first letter I have had from these people, along similar lines.

And then there is one from the Saskatchewan Motor Transport Association: "It is resolved that the Association instruct the secretary to write a letter of thanks to the Department of Highways for their co-operation in improving road conditions in cases which have been brought to their attention by this Association".

Then, to show you that they are not all from Saskatchewan, here is one from Ontario: "We took a trip by motor to Vancouver in 1941, just before gasoline rationing, and again this past summer. I would like you to know what a definite improvement we noticed in the roads in your province".

I could continue for a long time, but that is some of the nice things that have been said of what we have done.

I would be the last one, Mr. Speaker, to say that we have all good roads in Saskatchewan, but I feel I would not be doing my duty, particularly to those who work on the staff, if I were not to say that in the past summer this province has enjoyed more miles of good well-maintained roads than ever before in its history. While there is still room for a great deal of improvement — we have a lot of Liberal roads to rebuild, and we have a lot of those old canals they left us for roads, which I am afraid are going to be in much worse condition, this spring, than they ever were, on account of the large amount of soil removal service we have given — but I can assure you that we are taking every precaution to meet these conditions.

A year ago at this time we brought in to this city all the District Engineers, and we discussed the problems which we know would arise last spring, and the same has been done this year. We do the same with our construction men — bring them together, and allow the rank and file to feel that they are part of this organization; and to feel that their advice is of use to the Government and to the heads of the Department. It is, Mr. Speaker, making a much better feeling among the staff, in allowing the staff to feel that they are really part of the organization and making it possible for them to take a such bigger pride in their work.

The Leader of the Opposition bemoaned the fact that we had brought in quite a large amount of supplementary estimates. My Department is one that did bring in very large supplementaries, and, Mr. Speaker, I am making no apologies for it. When I appeared in the House, a year ago, and brought

in my estimates for the Department of Highways, those estimates were based on what money we thought we could spend for construction, with the equipment available in this province and the equipment which we thought might come in. However, by June, not only had the manufacturers delivered more equipment than we had expected, to the Department, and to the contractors, but also we had a number of contracting firms, both from Manitoba and Alberta, come to this province, and we were, therefore in a position to construct more miles of roads than we had anticipated. Then, during the first week in June, I made a trip to the Central part of this province, which took me on to Prince Albert. The hon. members will know that that is a part of the province in which the snow conditions were not as bad as in many parts of Saskatchewan. On that trip of approximately 1,500 miles I found that there were at least 500 miles on which the gravel had almost entirely disappeared — all of it on roads which were not included in last year's program, and roads on which it was not our intention to do any work for at least three years. I came back, naturally, very much alarmed: I called for a complete survey by the District Engineers that I would like to give to this House and I would like to give a summary of what they reported.

They found that over 2,000 miles of road were practically in the same condition, and it would cost approximately one and one-half million dollars to repair the damage that had been done. We know that it would be impossible to get gravelling outfits to do that amount of work even if the money were available: but, going over the picture, we realized 600 miles of road, at least, that we could handle, at that time, over and above our regular program. And so I went to my colleagues and asked them for the privilege of spending this extra money. This money was spent, and spent wisely, with the result that we were able to re-gravel over 800 miles — in fact 815 to be exact — over and above our regular construction program, and also add considerable miles to our construction program. In so doing, we gave the people of this province the extra service which they required and demanded. Now, Mr. Speaker, I am making no apologies for having overspent my vote in the past year.

Before I close I would like to say a word or two about the work done by the Department of Public Works. I am not going to go into any great detail, but again, as in the Department of Highways, we have purchased a great deal of extra equipment. We find that the warehouses which we now have are totally inadequate, either to house or repair the equipment. As a matter of fact, when snow removal programs are underway, and, as you know, we have carried on a very extensive program of snow removal, it is impossible to service snowplows and at the same time adequately carry on the work of repairs. So, in the city of Prince Albert, we have purchased a hangar and that has been converted to a workshop. In the city of Yorkton, this has also been done, and in Prince Albert we are leasing part of a hangar from the Reconstruction Department. In this city we are constructing a new warehouse from a hangar, and I hope, as the years go on, we will be able to replace the outmoded warehouses in the eight highway districts in this province. It is absolutely

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necessary, if we are to properly repair our equipment, to house them as they should be housed.

I might state that, through the Department of Public Works, we have erected a new Bus Depot in the city of Saskatoon. While that has not been officially opened, the second storey is completely occupied; we have been operating there for several months and, I believe, only the restaurant is in need of completion. This building is one that we can be very proud of; it is one of the most modern and up-to-date buildings of its kind in the province, in fact, in Western Canada.

We have carried on, as you know, a very great program of work at the university. Unfortunately, we have not been able to receive the materials that we should receive and, also unfortunately, the skilled help required for stonework is very hard to procure in this province, in fact anywhere in Canada. There were times, this year, when I felt rather frustrated owing to the delay in the material which we had ordered but after discussing the matter with the Reconstruction Minister at Ottawa I didn't feel quite so bad because I was told by him that he, too, experienced the same difficulty; and as he is a man in charge of materials, it, naturally, gave us a little comfort. I am also surprised to learn, as you will be, that construction in Canada, in the past year, called for approximately \$1,400,000,000 worth of work, which is about four times Canada's normal. So, in view of this, I believe that we have made very good strides in the buildings which we have been erecting in this province.

I have mentioned the warehouses going up and I have mentioned the Bus Depot in Saskatoon. We are completing a new office building in Prince Albert; we have converted two army huts in Regina here for the Hospitalization Branch; and buildings throughout the province at Assiniboia, Weyburn and Saskatoon for Health Clinics; and, in addition to this, carried on work at the Medical College in Saskatoon; on the two Agricultural Buildings at Saskatoon, and a start was made on the basement of the hospital, also on the University grounds, last year.

Well, Mr. Speaker, I have spoken for a little more time than I intended, and I want to state that I will support the Motion.

COARSE GRAIN MARKETING

Motion seeking control by National Marketing Board

The House resumed, from Thursday February 26, 1948, the adjourned debate on the proposed Motion of Mr. A.L.S. Brown (Bengough) with respect to the orderly marketing of coarse grains, etc.

Mr. G. Herman Danielson (Arm River): — Mr. Speaker, this Motion deals with the reinstatement, or the extension, of the powers of the Wheat Board, or the National Marketing Board; and it also requests that certain actions be taken with regard to reimbursement of the farmers who sold their wheat, last fall before the price was raised and price controls were lifted.

During the discussion of this Motion, Mr. Speaker, the Mover and the Seconder who spoke had a very light attitude in respect to the discussion. It is not my intention to go very far afield; but certain dates and figures were used with regard to the Wheat Board, and so on, which were not any too accurate, but that matter can be passed over.

There were certain statements made — one by the member for Humboldt (Mr. B. Putnam) — I do not altogether disagree with that statement: there is, however, one side to the question that was not brought out, when he said that it was too bad that the farmers who sold the grain did not get that extra money. I agree with him when he said that \$200 or \$300 is a big item on a small farmer's income for the season. That is true, and I have no fault to find with that statement — it is absolutely correct; but the question that comes to my mind is, how could these farmers ever get that extra money if the control over coarse grains had not been lifted? They wouldn't get any more than they did before, and they wouldn't get any more than they can get now. That does not, by any means, mean that I do not think that they shouldn't have any future payments, but I want to point out that when the controls were lifted the farmers that still had their grain got the benefit of that price, which was badly needed and very welcome to these farmers. As I said a few nights ago, I have never agreed that the price of coarse grains, during the past few years, has been in fair relationship to the price of wheat; and if we are going to get these things produced in the quantity that we need they must bear a fair relationship to the price of wheat. As a matter of fact, wheat is the basis for the whole grain marketing level.

While some of the farmers feel disappointed — I know many of them that do — nevertheless the farmer who hasn't sold will certainly reap the benefit of the increased prices: and if the price had not been raised, and if controls hadn't been removed, no one would have had any benefit from the increased prices.

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It has been said that everyone is in favour of the Wheat Board, or National Marketing Board, taking control of the marketing of coarse grains. Well, Mr. Speaker, I think that the vast majority of the farmers in Western Canada are of that opinion; there is no doubt about that. Personally, I certainly am in favour of it and always have been; and although the vast majority of the growers of coarse grains are in favour of it, I would not go so far as to say they are all in favour of it. I know of many farmers who are not of that opinion and have never been of that opinion, and, of course, we will always have that particular group who have other views on the problem.

In regard to the price of coarse grain, which increased considerably after price controls were taken off, and the reimbursement of the farmers who sold their grain previous to that date, we had the assurance (it has never been admitted, particularly on the Government side of the House) that that problem will be taken care of.

Premier (Mr. T.C. Douglas): — How?

Mr. Danielson: — If you will just hold your horses for a minute, I am going to tell you.

I can surely understand, Mr. Speaker, how the C.C.F. is praying, and hoping, that it wouldn't be taken care of because the socialistic, political, agitators won't have any more ammunition to peddle back to the farmers on the farm. They grasp at every straw — every last thing they can get hold of, and use it for political purposes.

We have the assurance of the Wheat Pool — I want to ask the hon. member for Kerrobert-Kindersley (Mr. J. Wellbelove) if he hasn't my faith in his organization, and my organization, the Wheat Pool; or in the other grain companies who have already advertised and said that they will do so. We know today . . .

Mr. T. Wellbelove (Kerrobert-Kindersley): — In answer to that question, Mr. Speaker, I would like to reply that I have more faith in them than I have in the promises that were made by certain gentlemen.

Mr. Danielson: — Well, if you have as much faith as I have in the promises that have been made, not only by the Wheat Pool, but by other grain companies, I am sure we will all be satisfied when this thing is finally settled.

Mr. D.S. Valleau: — Mr. Speaker, may I ask the hon. gentleman a question? Would he care to specify the companies which have made those statements? He makes a general statement; and I wonder if he would be a little more particular.

Mr. Danielson: — Well I am not going to satisfy my hon. friend by making any specific statement in regard to that, but the press, at least, has intimated that it will be done. I have here a letter from a gentleman who knows, and this is what he says: "The Pioneer Grain Company has now announced an interim payment of 12 cents on oats and 10 cents on barley, and it has been intimated to me that others, including the Pool, will follow suit."

I also have an advertisement clipped out of the press, from the Wheat Pool: "Ceiling prices August 1, and October 1, removed. Higher prices is the result of the sale of coarse grains by Pool Elevators, purchased at ceiling prices and sold after the ceiling was removed; and will be distributed, in the form of additional payments on oats and barley to patrons who delivered and sold coarse grains to Pool Elevators during the period ceilings were in effect. This distribution will not be in the form of an ordinary patronage dividend; distribution will be made to both members and non-members on an equitable basis. Details as to the actual amount to be paid out by way of adjustment is not yet available."

Hon. Mr. Valleau (Provincial Secretary): — Who is the first letter from — the first letter you read, who was it from?

Mr. Danielson: — Well, I clipped it out of the Western Producer.

Hon. Mr. Valleau: — No, the letter you read earlier.

Mr. Danielson: — I do not have to disclose where a letter is from . . .

Hon. Mr. Valleau: — Mr. Speaker, does the hon. member take the responsibility for making those statements?

Mr. Danielson: — I stated it on my own responsibility as a member of this House.

Hon. Mr. Valleau: — That we get 12 cents a bushel?

Mr. Danielson: — I did not say that at all, and the hon. Minister does not need to put words in my mouth because he will never get away with it. I said that the Pioneer Grain Company has advertised in the press to that effect; and this letter points that out. And it also said that the other grain companies signified their intention to do the same thing.

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I want to point out, Mr. Speaker, that this is a matter that cannot be done overnight. As a matter of fact, there is coarse grain in the hands of some of the grain companies now — all of them — that was bought and isn't yet sold, and until it is disposed of and the price realized has been ascertained, and the handling charges and so on, neither the Pool nor any other grain company is going to be in a position to know exactly where they stand in the transaction. We have heard, of course, on the Floor of this House, and in the Federal House, from the C.C.F. agitators, that the grain companies and the speculators made the money. Well, Mr. Speaker, who were the speculators? The grain market was not open, and there was no chance to buy and sell futures on the Winnipeg market until the day after this thing happened, so the speculators — as you like to call them — must have been the Wheat Pool and every other grain company, or grain-handling concern, in Western Canada; and they got the actual grain, Mr. Speaker. Well, that is not speculation — they bought it at a price and will sell the grain and, as a result, will get considerably more money than was paid to the farm, because of the increase in price, and are willing to distribute that back to the farmer, to make the thing right with them.

That is a fair deal. That transaction, Mr. Speaker, will probably take five to six months yet before it is fully completed. I know my political friends across the way will be very glad to be able to go out and say that this is just 'eye-wash', and that they are trying to fool you, but that is not so. We have the statement of the Federal Government to the effect that when the grain companies have done their share, then they will come forward and make up whatever additional amount is necessary to bring the price up to a fair and reasonable basis for all the farmers who sold their coarse grains.

Hon. Mr. Nollet: — Why did it ever happen?

Mr. Danielson: — I would like to ask this wise man over here when the Federal Government, or the Wheat Board, ever made a definite promise in regard to any payments on wheat that has not been made. I fail to recollect one, and I have been here just as long as my hon. friend has been. There has never been a definite promise made without it being fulfilled in due time.

Hon. Mr. Nollet: — Isn't the hon. member aware of the fact that the Federal Minister of Agriculture got up in the House of Commons in March, 1947, and gave assurance that when the ceiling prices were raised or anything be done . . .

Mr. Danielson: — Oh no, Mr. Speaker, he is making a statement — he wants to make a speech.

Hon. Mr. Nollet: — Aren't you aware that the Federal Minister of Agriculture gave assurance that this would never happen.

Mr. Danielson: — He never gave any such statement.

Hon. Mr. Nollet: — For the benefit of the hon. member I would like to quote . . .

Mr. Speaker: — Order!

Mr. Danielson: — You will have your chance to quote these things. I think you quoted everything you had when you were up speaking on this Resolution. As a matter of fact, to the contrary, during the last Session of the House a year ago, the statement made was the fact that the controls on coarse grains would be taken off. I have several sources where I can prove it — I haven't them here, Mr. Speaker, but I have them.

Mr. Valleau (A.S.V.R.): — Why was Tucker so surprised?

Mr. Danielson: — Well, I do not know what the hon. gentleman wants to know, but he wasn't surprised at all, because I think most of the farmers knew about it.

Mr. A.L.S. Brown (Bengough): — I would ask him to repeat a statement that I did not catch — the assurance that was given.

Mr. Danielson: — I say to you here, Mr. Speaker, today, that the Federal Government has made certain promises and that they will be lived up to. The grain companies — two of the larger ones — have come out and indicated to responsible people in the business that they will follow suit. That will be done and I can picture the disappointment of the members opposite, and of all the political socialistic agitators, trying to reap some benefit from this condition . . .

Mr. Valleau (A.S.V.R.): — On a point of privilege: I am one of the members opposite, I presume, I assure the hon. member that I will not be disappointed if the grain companies make such payments because I sold oats too.

Mr. Danielson: — Well, I can assure my hon. friend that if he sold them, as these other farmers did, he will certainly reap the benefit, if it is coming to him.

Again, I repeat, I can certainly appreciate the dismay of my hon. friends because they are going to be deprived of a little ammunition — a little bit of the stuff that you can sling; something that is going to stick. That is what is going to happen.

I do not think there is any reasonable man who knows anything about farming who will say that the farmers are getting too much money for their coarse grains. I say they never get a big enough price for their coarse grains. Hasn't that been the complaint here in this House, that the price went 'way up?

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This thing is not over yet. What do we have in prospect when we seed our wheat next Spring? We have two-dollar wheat in prospect next year. Now, as practical men, let us forget about politics for one minute. The farmer goes to seed his crop next spring, now he knows, from the first of August, his price is going to be two dollars. Is he going to say that the oats and barley are a very risky crop in Central and Southern Saskatchewan — everybody who has lived and farmed there know that it is so — and decides not to take a chance on it. He can seed any kind of wheat and have far more assurance that he is going to get at least a small crop, than he will have by seeding the land, or part of the land, into coarse grain. I do not think that the farmer of Southern and Central Saskatchewan, with the experience they have had over all the years, is going to be any too keen to put in any more coarse grains than he did last year. My point is that we should, before we put in our crop next spring, have the coarse grain price raised in proportion to the wheat price, so that we will have some inducement, at least, for breaking even on the transaction — if they want coarse grains.

Hon. Mr. Nollet: — That is not the point.

Mr. Speaker: — Order!

Mr. Danielson: — I would like the hon. gentleman to just keep his mouth shut when I am talking, if he has sense enough to do it.

Mr. Speaker, let me say this to you: if you and I, as farmers, go to seed our crop next spring we will want to know that we have some assurance that we are not going to get 63 or 70 cents a bushel for our oats, and \$2 for our wheat; because I am sure as a good farmer, with the experience you have had, will know that you cannot do that. You are going to be money out of pocket. In order to place the thing in a proper position with the other, we should have an assurance next spring, before we seed our crop, that we will have a price for our coarse grain which will at least give us a chance to reap as large a benefit from our farm operations, in regard to coarse grains, as we do with wheat. That is only fair; and that is what we ask of the government or whoever will have the say about this thing, whether it will be the Wheat Board, or a National Board.

If you are going to produce the class of product which this Western country needs to fill our agreement with Great Britain, then we should have this assurance because, if we cannot produce the feed in this country, we are not going to produce the meat and dairy products which we needed to fill the agreement we have. If we could have an agreement with Great Britain for at least one year ahead, that they would take a certain amount of our pork products and dairy products (cheese, as we have never been an exporter of butter, so I do not think we need to worry about the exportation of that), there is nothing that would give more stability and encouragement to the farmers of Saskatchewan and Western Canada than if that could be brought about.

about.

I said that the vast majority of the farmers favour a National Grain Board in this country to market the products of our farms, so far as our grains are concerned; not wheat alone but oats, barley and flax, or anything else which can be marketed through that type of channel. If that is the cases then we should have it. We have, I think, the assurance today that there is going to be a Board to do that very thing — I do not think there is any doubt in the world that the Wheat Board will become a permanent fixture in Canada.

Hon. Mr. Nollet: — Is it his opinion that it is the intention of the Federal Government to include flax and rye in the Wheat Board.

Mr. Danielson: — I do not think the hon. gentleman needs to ask that question, the Bill is in the House now.

Hon. Mr. Nollet: — Excluding rye and flax.

Premier: — The Bill only covers oats and barley.

Mr. Danielson: — I do not know, I haven't seen the Bill but that may be true. I do not know any reason why they couldn't be included, but there may be a reason that I do not know of. There may be such a thing that the marketing of flax is an entirely different problem than the marketing of oats and barley and wheat. The flax crop is entirely different; it is not grown for feed or human consumption like the rest. I imagine the biggest part of Canada's flax crop is probably marketed in the United States and to Canadian mills right here at home. I am not going to make anything of that particular statement because I am not familiar with it, but I do not think I am very far out in making that statement.

On the other hand, Mr. Speaker, I think we have some assurances, at least, that we are going to have the Wheat Board as a permanent fixture in Canada. On February 27, 1947, a year ago, Mr. MacKinnon, speaking in the House of Commons said: "The Government certainly anticipates the continuation of the Wheat Board after the end of the agreement" in reply to a question from Carl Miller (Portage la Prairie). He was speaking then on a Bill which was introduced into the House to extend, or renew the power of the Board after the War Emergencies Act had lapsed.

There is another thing, Mr. Speaker, it isn't a definite statement but I think we can tell more by this little incident that happened in the House of Commons than anything else; that the Wheat Board is intended to be a permanent fixture. They are providing in a Bill in the House now for a superannuation plan for the Wheat Board employees — I think that is all to the good. I do not think any farmer will have any objection to that, and I say again that that particular incident indicates to me that it is not going to be disbanded. If that is the case I do not think they would make a provision in this Bill for the superannuation of the Wheat Board employees.

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There is the question again, which has been raised, I do not think the first time, that the Dominion Government hand over to the Wheat Board, or the National Marketing Board, the full control of the marketing of coarse grains in Canada. I am not a lawyer and I am not going to argue that point at all, but it has been raised and I think there must be some real basic reason for it, and that it will require supplementary legislation by this provinces to make that legislation affective. So far as I am concerned, I do not see any reason in the world why there should be any trouble, so far as the three Western provinces are concerned, to get that legislation. Speaking here, as a Liberal, supporting the Liberal Party, I can assure the farmers of this province that if there is a Liberal Government in the province of Saskatchewan after the next election, if that legislation is required they will get it. And I understand that the present Government has already given that assurance, so there is no question about it at all, and I also think there is no question that the other two provinces will do the same thing.

Premier: — May I ask the hon. gentleman a question? Does he think that if complementary legislation was necessary, in the opinion of the Federal Government that some request should have been made to the provinces long before this, asking that this complementary legislation be drafted and passed?

Mr. Danielson: — I could not answer that question, but I say that it is not the practice to do it until the Federal legislation is passed. There is some provision in that Act where there must be complementary legislation from the provinces. In the case of the Old Age Pension Act you accepted that. I remember, Mr. Speaker, I may be wrong, but after the first war, was there not a special Session of the Saskatchewan Legislature called for that purpose; to pass complementary legislation to make the Wheat Board effective? I think, if I am able to remember correctly — I am willing to be corrected here, Mr. Speaker, as I am speaking from memory — that the province of Manitoba failed to pass that legislation, and for that reason the Wheat Board could not go ahead and operate — I think I am right in that.

Hon. Mr. Nollet: — Am I to derive from that reference back to 1922 that if, in the opinion of the hon. member, it would be necessary for all the province to pass enabling legislation in order to give the Wheat Board full jurisdiction over the handling of coarse grains?

Mr. Danielson: — It is my understanding, Mr. Speaker, that it would not be necessary for all the nine provinces in Canada, to pass that legislation but there would no doubt be the question "if it is necessary". I am not a lawyer, as I said, but there is some doubt about it because the question has been raised. I might say that when the annual meeting of the Wheat Pool was held here in Regina, last Fall, that matter came up and, if I remember correctly, a Resolution was passed for some expression of opinion from that meeting that they expected the Western provinces to supplement or endorse that legislation, in order to make it effective, if that had to be done.

It is a question that has been in doubt for some time. My information is that the provinces that would have to pass that legislation would be the three Western provinces, Manitoba, Saskatchewan and Alberta. For that reason, Mr. Speaker, I do not think we used to have any great worry about this thing. There is a Bill before the House in Ottawa extending the operation of the Wheat Board and to take in the coarse grains if the necessary arrangements can be made. If that Bill is passed by the Dominion House, which I think it will be and I hope it is, and I am sure we will all look forward to the passing of that Bill, both the farmer and the merchant. I certainly will support it and the Liberal Party in this province is ready to support this legislation, if it is necessary, when we form the next government which, of course, we will.

Voice: —We will get it long before that.

Mr. A.W. Embury (A.S.V.R.): — How about the Conservatives?

Mr. Danielson: — I do not think there is any question about it, as far as the Conservatives of Western Canada are concerned. I have never heard of any of them that are opposed to it in any way, shape or form.

I am not going to take up any more time on this Resolution — I have pointed out a few things that I think it was necessary to point out and I am going to support the Resolution. There is nothing in it that I disagree with, and I am particularly pleased to find that we have assurances that the inequality that exists in regard to the prices for coarse grains received last fall is going to be eliminated by additional payments by the Saskatchewan Wheat Pool, by the grain companies, and by the government.

Premier: — Who said so?

Mr. Danielson: — I say so. Mr. Speaker, I stand here and say this on my own responsibility.

Premier: — That won't buy the baby any shoes.

Mr. Danielson: — I can understand the Premier doesn't feel right about it at all because he has been praying, I think, every day, that this thing wouldn't come true, but it is true. I can visualize his distress and the grief that will hit every C.C.F. champion in the province of Saskatchewan when he loses that ammunition, and that stuff you sling around and it sometimes sticks. That stuff is going to be taken away. The Saskatchewan Wheat Pool says it will. It will take a long time, because there is an enormous amount of coarse grains still in the hands of the grain companies — they were the only ones who had it, as there was no open market and there was no chance for the speculators to get on the open market and benefit from any speculation. The grain was in the hands of the grain companies — much of it has been sold and much of it remains to be sold and, for that reason, Mr. Speaker,

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we are going to be able to say that justice has been done, when this thing is over, and there is no harm done. It is a good thing because it brought to the farmer better prices which they are fully entitled to. They have not, in my opinion, had a fair deal in regard to the price of coarse grains, compared to wheat. For that reason, Mr. Speaker, I support the Motion.

Mr. Wellbelove: — Before he sits down would the hon. gentlemen wish to assure this House that the differential exists on the grain which was bought and sold under ceiling price — you realize there will be quite a bushelage of that — on the open market, that the Government is going to guarantee that, or the Pools?

Mr. Danielson: — I have this statement from the Western Producer which I read to you, and the Wheat Pool say they are going to pay it out, and the Pioneer Grain Company have advertised in the daily press; and the statement has been made by other companies, which indicates that they are willing to come forward. I do not see how they can do anything else. When they have contributed their payments, then the Government comes in to make up a reasonable part of the rest. I can understand, Mr. Speaker, that it is an extremely complicated thing because (pardon me — I know I am out of order but I would like to ask this explanation) when the controls were taken off at the end of October and the price, as is usual on the open market, is not stable. You cannot take the highest and not the lowest, so I would be unable, just like my hon. friend, to tell you exactly what that price is going to be; but it is going to be one that will do justice to the producer as a whole.

Mr. Wellbelove: — That is not the point, Mr. Speaker.

Mr. Myron H. Feeley (Canora): — I would like to have just a few words to say on this Resolution because, in my opinion, the action of the Federal Government, when they removed the price ceilings on coarse grains, at the time that they did, was one of the most dastardly 'sell-outs' to the farmer of Western Canada, that has ever occurred.

To give you a little of the history of what took place at our particular point — discussing it previously, the possibility of it, with a number of our neighbours and elevator agents, we heard rumours of what might occur and we spent some time discussing the possibility of it and the conclusion arrived at by the farmers and producers there was that it was just too terrible a thing for even the Liberal Government and Mr. Gardiner to take. We did deliver our coarse grains and were compelled to deliver our coarse grains.

Previously, taking the year 1946, for example, our agent advised me that there had been not only quotas upon deliveries, that the quotas, generally speaking, were more generous on wheat, and the encouragement was for us to deliver our wheat first in those years but that he, himself, in the elevator had been compelled to load four carloads of wheat before they would allow him to load one car of coarse grains. Now the position was reversed, this year, because of the fact there was a limiting quota on our deliveries of wheat, he actually loaded six cars of coarse grains to every car of wheat, in order to keep his elevator clear. We were compelled to sell our coarse grains because, in some cases, they didn't have room for them and, in most cases, the wheat didn't bring enough to pay their current expenses and so, because of the policy of the Government, we were compelled to deliver — and that is true all over the West, I believe — millions and millions of bushels of coarse grains, the bulk of which were sold before the price ceilings were lifted.

It was a terrible jolt to practically every farmer when we discovered what had taken place. I was going into town the next day and a neighbour caught a ride with me. As soon as he got into the car he asked as what the price of oats was going to do. I told him I couldn't tell him. Well, he said: "You know, yesterday my oats were all in the elevator and the agent called up and said oats had gone up 25 cents a bushel. He asked me if I wanted to sell and I told him, yes, sell. Then I got to thinking about it", he said "and I thought about it and I got up early this morning and drove over quick and told him not to sell. Now I think I'll go crazy". That, Mr. Speaker, illustrates the general attitude of the farmers that I have met and talked to, and I have talked to many of them because I wanted to get their reaction. One of the most gratifying facts, to me, was that almost without exception, the farmers when asked about it were more concerned over the loss of the marketing control, or the lack of the security and the knowledge that they could sell their grain when they wanted to, whenever it was convenient, and they knew just what they would get — they would get the same as their neighbours were getting. The terrible uncertainty of the changed situation was the greatest of their worries. They didn't want to be 'gypped', and they felt they had been, because they were forced to sell at a lower price than that which prevailed after the ceiling was removed.

I want to assure you, Sir, that no action that the Liberal Government at Ottawa has ever taken, in my estimation, did more to lower them in the opinion of the farmers of this province; did more to cause the farmers to lose confidence in anything that they have said or promised to do, than did their motion on the 31st of October, in removing that price ceiling.

The hon. member for Arm River, who has just spoken, apparently still believes in Santa Claus. A good many years ago my brother and I got to figuring things out and we decided that Santa Claus was our Dad, and apparently the hon. member hasn't yet discovered that, in this case, the Santa Claus he is looking to is the Hon. J.G. Gardiner, and I assure him that if he believes in him that Mr. Gardiner and the Liberal Government, as he said, will give

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us the assurance that we will get \$2 a bushel for our wheat, I would like to contract mine with him for next year at a figure considerably less than the \$2.

Mr. Procter: — He has been a pretty good Santa Claus for you.

Mr. Feeley: — Yes, not Mr. Gardiner, but nature has been pretty good to me, I will admit that. The fact is that the hon. member must know that we haven't any assurance that we will get \$2 for the wheat that we sell next year — as a matter of fact, we have every reason to anticipate that we will get less than \$2, because of the fact that we are going to be paid off on the basis of probably \$1.55 per bushel, and what we get above that will depend upon how it averages out over the entire period in which it is to be averaged.

He said that we should have a Marketing Board, and I certainly agree with him: that is, a Marketing Board for coarse grains. I would like to ask him, in view of the fact that he seems to have so much confidence in the proposed action of the Federal Government, how he explains the fact that they have never given that to us in all the years in the past, with the exception of one or two years just recently? That opportunity was there; they had the power; the need was there; the vast majority of farmers all through the West have been demanding almost ever since I can remember, and I can probably remember as far back as the hon. member who has spoken, if they are going to do that now, I would like to know, if he feels so sure they are going to, why they haven't done it long ago. They would win a lot more support in the West if they took some action of that kind.

He says that the Wheat Board is going to be permanent — he is very sure that it is going to be permanent. Well, the only thing that will make the Wheat Board permanent will be that we elect a C.C.F. Government, at Ottawa, before these bids get a chance to destroy it, just as they did away with the protection that we had last fall on coarse grains. Any government that owes its allegiance, primarily, to the Winnipeg Grain Exchange, will never give us a permanent Wheat Board — don't let us kid ourselves on that, Mr. Speaker. It is just as true that the sun will rise and that night follows day — if that Government remains in power (if we are so foolish as to return them after the next election) just as surely will they do away with our Wheat Board and throw us once more to the Wolves of the Grain Exchange. They will have to do it or how are they going to get their campaign funds if they don't. The Winnipeg Grain Exchange could very easily pay all of the superannuation to the employees of the Wheat Board. That would be 'small potatoes' for them, if they could once more get a chance to 'bleed' the people and the producers of Western Canada.

I want to assure you, in my opinion, in spite of the fact that I believe this will be passed unanimously, it will not get us a Wheat Board. The only way we will get a Wheat Board is for the farmers of Western Canada to stand solidly together and elect to the 'seats of the mighty' in Ottawa

a government that is truly representative of the people of the West, as well as of the rest of the people in Canada.

Hon. I.C. Nollet (Minister of Agriculture): — Mr. Speaker, I little expected to take part in this Debate at this time, but I think we can deal with the subject at a moment's notice.

I felt particularly sorry for the hon. member for Arm River, trying to make something out of a very poor case. He did the best he could with it by avoiding certain very obvious facts, and by making no reference at all to the records, in the past. I think it might be a good idea, therefore, to refer back to the records, and once again place them before the House. First of all, it is to be recalled, practically one year ago today the C.C.F. group in the House of Commons at Ottawa moved a Resolution asking for exactly this thing; but they also asked that flax and rye be also brought under the jurisdiction of the Wheat Board. At that time, the Federal Cabinet Ministers, one after another 'pooh-poohed' the idea — it was unconstitutional, it was everything else; and I am going to give you some definite quotations as to what they said just a little bit later on. However, their Resolution was voted down. I wonder why all this change of heart, and all this attempt at making recompense, and again trying to place themselves in the good graces of the Saskatchewan farmer. Well, when the records are shown, you are going to have a pretty difficult time reinstating yourselves in the good faith of Saskatchewan.

Last March, the ceilings on coarse grains were raised and they were raised for the obvious reason, that our hon. friend opposite mentions, that the prices of coarse grains were getting out of line with the price of wheat. I should like to say, however, that when that was done, that was a complete departure, Mr. Speaker, from the intimation that was given to us, the representatives of the various provinces that attended the Production Conference at Ottawa in December, 1946, when we were discussing this whole question. At that time the Rt. Hon. J.G. Gardiner intimated that, in their opinion, we should accept another alternative; that we should not suggest anything that might increase the cost of feed, and thereby throw out of balance the general price relationship between grains and meat products, poultry and dairy products etc. The suggestion was made that probably an acreage bonus would be the best way to get increased production of coarse grains; and the conferences accordingly, suggested that to the Federal Government at Ottawa.

Mr. Danielson: — May I ask a question?

Mr. Speaker: — If the hon. member so wishes. Will the hon. member answer a question?

Hon. Mr. Nollet: — Sure.

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Mr. Danielson: — I would like to ask the hon. gentleman if he was referring to the \$5 per acre bonus on barley that was suggested — that did not come from Mr. Gardiner; that came from the Saskatchewan Wheat Pool organization, from Mr. Wesson himself.

Hon. Mr. Nollet: — Mr. Speaker, I would like to inform the hon. gentleman that he wasn't at that Production Conference, and I happened to be there; and the Rt. Hon. J.G. Gardiner made that very suggestion, that it would be one of the ways out of a very bad situation. The Conference, after looking at it from various angles, agreed, and they made the recommendations accordingly, to the Federal Government. Then, later on in March, we expected, and the farmers of Saskatchewan expected, that there was going to be an acreage bonus; but nothing was said until spring and then the price ceilings were raised on coarse grains instead of the payment of the acreage bonus. At the time the ceilings on the coarse grains were raised, the hon. Federal Minister of Agriculture got up in the House of Commons and gave some indication as to what the future policy would be in regard to coarse grains; and this is what I want to quote for the benefit of the hon. member opposite. Here is what the Rt. Hon. J.G. Gardiner said then, and this is one reason why the farmers of Saskatchewan are so badly disappointed: "In any case in which a price increase or a substitution of a price for a subsidy, would have the effect of giving unwarranted profits to holders of stocks, such stocks will be purchased by the Government at the old price and returned to the holders or sold at the new price. This procedure will make it possible to recover subsidies, or prevent chance profits, to the holders of stocks", I want to emphasize this point — "in order to discourage any hoarding in anticipation of increases in ceiling prices, or withdrawal of subsidy which may take place in the future". That was the statement of the Rt. Hon. J.G. Gardiner, in the House of Commons, on March 17, Hansard, page 1446. Little wonder that the Liberal Government at Ottawa, and their staunch followers in Saskatchewan, are making such valiant efforts to try to rectify one of the most grievous mistakes that any government ever made, politically and otherwise, and they realize that now. They are not going to talk their way out of it so easily on this occasion.

Along came the first of the new crop year and we all waited in anticipation of what was going to happen; we were all vitally interested, above all other things, in the feeder drawbacks that were being paid, and were being continued to be paid, after the ceiling prices were raised on coarse grains. We, in Saskatchewan, were very much concerned because, as the hon. member for Arm River has indicated, we did have a devastating drought in our province, and we were very much concerned about the feed situation; we were very much concerned about the ability of the people in the dried-out areas to purchase feed, and to get feed in on time. I immediately sent wires and letters to the Rt. Hon. J.G. Gardiner, after August 1, trying to get from him some indication as to what the policy was going to be. Well, they did continue the feeder drawbacks for a period of some two months, but there was a limited amount a producer could get as a feeder of livestock;

up to a maximum of 300 bushels of coarse grains was all he could get, and get the benefit of the feeder drawback.

It was particularly embarrassing to our Department, because at that time, and in the same breath, there was a tremendous movement of feed grains from the West to the East. The East also, due to weather conditions, was very short of feed, but because of the conditions that prevailed in Saskatchewan (in the East they had too much rain, just the opposite of the conditions prevailing in Saskatchewan), we were very anxious to supply the drought area as quickly as possible in order to release feed that we know was badly needed down East. We, therefore, asked the Federal Government if they would permit a person in a deficiency area the opportunity of obtaining the feeder drawback on a year's supply of feed because, after all, the livestock in the areas concerned were not in a condition to market this year; any benefit of increased prices would not rebound to their benefit and, therefore, we thought it was reasonable and logical request. We received no reply whatever to that — we could not get any definite commitments as to what the policy of the Federal Government would be.

I would like to say this, too, to the Hon. Leader of the Opposition, when he is making references to the fact that we are only paying freight on feed and seed in, the reason that the people in the drought area have to pay so much now for their seed next spring, and their food, is simply because of this action on the part of the Federal Government, and because no consideration was given after October 21, that any feeder drawback was available. I requested Mr. Gardiner, on November 3, by wire, to immediately re-institute at least, the feeder subsidy so that the farmers who had their plans laid for their breeding program for the year following, would not have to market their brooding stock, particularly sows.

In spite of what the hon. members opposite say, we know, we have the record, there are a tremendous liquidation of brood sows; and the livestock people had the right to that feeder drawback, as I suggested to Mr. Gardiner, until the new prices on meats were announced and until the new contracts were announced, and then, progressively, he could reduce the feed drawback in order to keep a proper relationship between the price of livestock and the prices of feed. That was ignored, and the consequence was a terrific loss, not only to the producers of livestock, but to the man, too, who had marketed his coarse grains previous to October 21.

Sow, why all this talk about making these repayments to the farmers? It never should have happened in the first place; particularly if the commitments by the Federal Minister of Agriculture were adhered to — but they were not. This is just a lot of idle talk!

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I would like to remind the hon. members opposite, too, that the Saskatchewan Association of Rural Municipalities has also asked that the producer of livestock, who was compelled to market his livestock in November and December, also be reimbursed for the losses he took.

Mr. Danielson: — I would like to ask the hon. gentleman if he is quoting the Resolution which was passed at the annual convention in Saskatoon? If that is the case, they are not, as they turned the Resolution down.

Hon. Mr. Nollet: — What is the question? I did not get the question.

Mr. Danielson: — The statement you made just a moment ago. Mr. Speaker, he said the Saskatchewan Association of Rural Municipalities passed a Resolution that the producers of livestock who sold their stock should also be reimbursed. That is my impression of what he said.

Hon. Mr. Nollet: — Yes, I made that statement: they want to be reimbursed for the loss they took in that period between October 21 and January when the new contract prices with Britain were announced and the retail prices of meats went sky high. That is what they are asking for.

Mr. Danielson: — Again, I say that is not correct.

Hon. Mr. Nollet: — I can read the Resolution to the hon. member if he wants.

Mr. Danielson: — Why don't you read it.

Hon. Mr. Nollet: — Without the bandying about of words on the intentions of the Saskatchewan Association of Rural Municipalities, or anyone else, we know, and they know, that the livestock producers of Saskatchewan took a real 'whipping' in that period of time. My hon. friend opposite, like the Federal Minister of Agriculture, at Ottawa, he would like to put a nice glowing picture on things. Today, in the Leader-Post, I notice that the Rt. Hon. J.G. Gardiner is attributed as having said that he sold cows on the Winnipeg market for 13 and 13 1/4 cents per pound. I took occasion to look up the market price on those particular days and I found that top cows were selling at \$10.15 per hundred and they haven't reached 13 cents yet. But, of course, as Mr. Gardiner says, it depends on what kind of cows you are selling, and all I can conclude now, Mr. Speaker, is that Mr. Gardiner has sold some cows, but I do know that he still has the 'bull' left.

I would now like to make reference to the introduction of this Motion in the House of Commons recently and whether or not we should put any good faith in the action of the Government there, after all their subsequent actions and their breach of faith with the farmers of Saskatchewan in the past. They can talk but, believe me, when we get out in the country you are going to have a hard time to convince the average farmer

in this province as to the good faith and the good intentions of the Government at Ottawa. The very fact that the hon. member opposite says that when his Party is returned to power in Saskatchewan, the people of this province can be assured that they will pass enabling legislation — it will probably be about that long before we hear from Ottawa about it at all.

We have already asked them to tell us just what kind of legislation they want, but so far we have had silence. Believe me, they are not going to get away with this sort of thing. As indicated in 'The Gazette' a Montreal publication, where reference is made to the introduction of this Motion. I would like now, for the benefit of the hon. members opposite, to quote some of the statements made by the Ministers of the Government at Ottawa, when the C.C.F. introduced a like Resolution — it will make a good bedtime story for you. Here is what the Hon. J.G. Gardiner said, just a year ago: "It is understood that Agriculture Minister Gardiner is the principal backer of the new state-trading enterprise which is frankly designed as a vote-catcher to the Western provinces. It is already apparent that Agriculture Minister Gardiner, Minister of Justice Ilsley and Minister of Fisheries, Mr. MacKinnon, are going to find debate on the Resolution and Bill, a peculiar embarrassment because exactly 12 months ago the C.C.F. group moved an Amendment to the Canadian Wheat Board Act, to provide that the provisions of the Act shall be made applicable to oats, barley, rye and flax." The Montreal Gazette goes on the next day, and has this to say: "On the face of it, it would appear that the Cabinet is unanimously opposed to the Bill, for which the Cabinet itself is responsible. Incredible as it may seem, not a single member of the Cabinet is known to favour the likely, unconstitutional, inclusion of the two coarse grains in the Government's trading cartel". It goes on to say: "This, possibly, will go down in history as being one of the slickest political tricks that was ever pulled."

Mr. Procter: — They seem to agree it is unconstitutional anyway.

Mr. Danielson: — That is the 'big interests'?

Hon. Mr. Nollet: — Well, Mr. Speaker, the constitutional questions I have noticed, as a farmer, has always been raised if something is to be done to benefit the average producers; and they will probably bandy this around and then come back to the people of Saskatchewan and say they haven't the constitutional authority to do so; or they could pass the book to the Wheat Board and say to them "well now boys, when you have the authority, and you feel like it, you take the blame for all of this".

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I would like to draw the attention of this House to the fact that the Wheat Board has been administering coarse grains right along; they have been handling the equalization payments and all the rest of it, and I submit that, on their legislation today, if the Federal Government at Ottawa wanted to, they could again enable the Wheat Board to do that very job, just as they have done it in the war years, and as they have done it since. They have it right there today; they do not need to talk about having to amend the Wheat Board Act, or any other Act, if they want to give some assurance to the stock-growers and the farmers of the Dominion of Canada that they are going to have a just and fair return, not only for their coarse grains, but for the price of livestock as well. Again, Mr. Speaker, I must take exception and disagree with the hon. member for Arm River (and he seems to insist on saying it) that the prices of coarse grains should bear a fair relationship to the price of wheat. That isn't the point at all — they must bear a fair relationship to the price of animal products and dairy products — that is where the coarse grains go. That is what we want, and that is what the Canadian Federation of Agriculture asked for, and exactly what this Resolution asks for. We are asking for a stable price for agricultural products to us, that will return to the producer not only his cost of production but, plus that, Mr. Speaker, an income that will enable our people in Saskatchewan to enjoy good living conditions and good homes; and, in addition carry all these social services that are implied in the Budget just brought down, without any undue burden.

There is a lot of anxiety and worry about the extent of the Budget in Saskatchewan, but when you look at the size of Saskatchewan, and the tremendous agricultural factory we have here, we should carry that Budget with ease. I would like to say, for the benefit of the House, that we have 38 percent of the cultivated acreage in the Dominion of Canada right here in Saskatchewan. Saskatchewan consistently comes second in the overall production to Ontario, and it is my thought that given economic and stable prices, and given good farm practice in the rural areas, I believe that this province, without any difficulty at all can carry the services that the people so much desire.

Mr. Speaker, I will support the Motion.

The House took recess at six o'clock P.M.

The House resumed at eight o'clock p.m.

Mr. D.S. Valteau (A.S.V.R.): — Mr. Speaker: The Resolution that we are dealing with tonight, and some of the debate that I heard on it, this afternoon, reminded me a little of the song that was popular a few years ago, when we are thinking about possible payments that may be made under the coarse grain policy now being pursued at Ottawa, and gratuitous payments — things of that nature — I am reminded of the song, "Somewhere Over the Rainbow", "Somewhere there's a land that you heard about once in a lullaby." I think most members will remember the song. It some to me that the present policy of hoping that the private companies will disburse some of the profits that they made is something like that song.

The policy which suddenly took effect, with respect to coarse grains, last fall, and which has had much disastrous results, was not a policy existing by itself in a vacuum. It did not occur because of anything related to coarse grains or related to the wheat market or related to agriculture. It did not occur because of anything related to farmers. The sudden policy that was adopted on coarse grains occurred because of a change in the fiscal policy of Canada. It occurred because, at that time, for reasons of which I am not entirely aware — some day we may find out what the reasons were when the secret treaties are revealed — the Canadian economy suddenly (and the Canadian Government) entered upon a policy of rapid decontrol of all the essentials of Canadian life; and in that decontrol, since they had to be consistent, coarse grains were decontrolled as well. The decontrol, I am quite certain, did not start with the Department of Agriculture, but the Department of Agriculture and the Minister of Agriculture at Ottawa were powerless to stand in the way of such decontrol, despite the fact that all the farmers of Canada had been led to believe that the Minister of Agriculture at Ottawa had given his word that decontrol of coarse grains would not come in the middle of the marketing season.

The decontrol probably started with Treasury, and things have now come to the state at Ottawa where the Department of Agriculture is considered to be such a minor department, it is merely an appendage to the Treasury Department and cannot have a policy independent or separate. Decontrol probably came about through much the same reasons as those which led to the abandonment of O.P.A. in the United States. I remember listening to a news commentator on a radio broadcast, who said that decontrol was coming into effect there because various congressmen were adopting the policy — "you take the controls off my industry and I'll help you get the controls off yours" — "you scratch my back and I'll scratch yours." That policy gradually took over in Canada, and suddenly we found that the controls were lifted on coarse grains. The odd thing was that the farmers had not asked for that. I do not recall that a single farm organization asked to have those controls lifted.

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While the hon. member for Arm River (Mr. G.H. Danielson) who spoke this afternoon, said it was a good thing that the controls had come off because the farmers were receiving more for their coarse grains, I would suggest that we cannot consider the picture as one little segment — we have to consider the whole picture — and in our district I know that I possibly made, on the balance of my grain that I had to sell; \$25 or \$30 because controls came off on coarse grains; but I lost a lot more than that on the repairs I bought that fall, because controls had come off a lot of other things. The policy of taking controls off did not make any money for the farmers — it led to them losing quite a bit, as has been proven by speeches made on another resolution, and will be further proven when the resolution is passed that was the reason that the farmers were worried about the removal of controls. They knew that removal of controls would possibly increase the price of products which they had to sell, but a general policy of removal of price controls, in the end, would cost them more.

In an earlier debate, I showed the House that despite the increases in the price of grain, the effective price of grain measured in terms of the things it will buy — of wheat, is today less than \$1.00 a bushel; and similarly the change that has occurred in the last year in coarse grains, in respect to the things that they will purchase, would show that they have actually gone down in price rather than up. In that at least, I think we in this House can be very proud of the farmers of Saskatchewan. They did not say — "You help me to take off the controls on my products, and I'll help you to take off the controls on yours." They did not adopt the policy of "You scratch my back and I'll scratch yours." The farmers were more farsighted than that, and they kept the general good of the nation in mind; however, the adoption of a complete policy of pell-mell decontrol meant that this was probably inevitable, but it came about in such a haphazard manner that it brought a great deal of hardship to everyone.

The statement was made earlier this afternoon, that the price of coarse grain should bear a definite relationship to the price of wheat. To a certain extent that might be true, but in practice there are large areas in Saskatchewan, large acreages, that find it much easier to grow coarse grains than they do to grow wheat. Other times, on a second crop, it is much easier for a farmer to be sure of a crop of coarse grain than be sure of a crop of wheat. To a certain extent, coarse grains and wheat are not interchangeable crops, and the relationship or the factor which governs the price of coarse grain is more apt to be the selling price of meat than it is the selling price of wheat. The difficulty with a sudden rise in coarse grains is that we are liable to price ourselves out of the market; already there is talk that food-stuffs have reached a peak; the food contracts with Britain that some people are proud of are not long-term contracts, they are not even contracts of a year's duration — my understanding is that they are 90 days; and the British had take them (we heard this via the 'grapevine' too) as part of an agreement that allowed them to get wheat. The British do not like it, and if they were to stop buying foodstuffs at all, what would happen to the price of coarse grains in such a case as that? Already, the British have concluded an agreement

with Russia to carry out barter exchange of coarse grains for forestry equipment and so forth, and I have forgotten the exact figures; but I recall at the time I made a mental note that the amount they were importing was just twice the amount of coarse grains that Britain had consumed altogether in the year before. Unless we adopt a scientific and well-planned policy of marketing of coarse grains and the meat products that derive from them, we may find ourselves with no overseas market at all.

A second difficulty that is going to arise is that when spring comes and it is necessary to work out our seeding program, we will decide to sow a certain amount of coarse grains, based on the existing price; but the existing price may suddenly collapse if there is no market for meat when fall comes; and yet there is no contract today that says what the price of meat is going to be in the fall. There is nothing at all that says what the price of coarse grains is going to be in the fall, and so, the farmer who starts to sow his oats or his barley in the spring has no means of knowing whether or not he is going to get the cost of production from that particular commodity by fall. For that reason, it is vitally necessary that a resolution such as this be passed. I want to quote from the report in the Saskatoon Star-Phoenix for February 26, 1948, dealing with the Rural Municipal Convention at Saskatoon, in which it told of two resolutions which were passed, similar in certain respects, to the one that we have before us:

"In quick succession, other resolutions were passed calling for the Canadian Wheat Board to be the sole marketing agency for all grains, and also for the abolition of the Winnipeg Grain Exchange."

I have some other quotations here, to illustrate the statement I made a little earlier that farmers have not asked for decontrol, generally, at such a time; that they were interested more in long-term planning than they were in sudden, quick profiteering. Mr. H.H. Hanham, the President of the Canadian Federation of Agriculture, made this statement:

"Nothing has happened to Canadian agriculture in many years that has stirred farmers throughout the Dominion to such a high pitch of resentment," said Mr. Hanham, declaring protests have been pouring in to Federation and Government offices."

I think hon. members who listened to the Farm Forum the first week after this policy took effect, will remember that there were three farmers on it that day; one was a livestock producer from Ontario, the second was a livestock producer from Saskatchewan, and the third was a grain grower from Saskatchewan, and they debated the effects that this policy would have, for some time. The thing that struck me was that these farmers, all with widely differing viewpoints, were totally in agreement. There was no disagreement between them, again proving that farmers today are looking beyond the interests of any particular economic class, to the good of the community as a whole.

The thing that bothered us so much was that the policy was totally unexpected, and to a certain extent, represented what farmers considered to be

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a reversal of the policy of the Federal Government. That may be something that is becoming rather common. We are being led to believe today that the Federal Government has again reversed itself and is favouring such a thing as the resolution is advocating, although they did not always do so. I would quote from the Leader-Post of February 26, 1948, referring to debates in the House of Commons a year ago.

One of the Progressive-Conservative members, it says, "then tried to put the government's attitude on record." At Ottawa, the Progressive-Conservatives are often found opposing the Liberals. The question was this — "Do the government favour the compulsory handling of coarse grains by a Wheat Board?" — and the member went on to say, "I have heard the Minister's talk all around or over this question." "I cannot speak on behalf of the Government, but I will say that personally I am not," said Mr. Ilsley . . . and Mr. Gardiner went on, "I wish to say that I am opposed to putting the compulsory clause as related to grains into the Bill," said Mr. Gardiner.

Some time since then, there has been a change of heart. The thing did have rather tragic consequences in many cases, and it is something like the motion which we had here, the other day, Mr. Speaker, on seed grain. The trouble was that some people knew or had an inkling of what was going to happen, and others did not. In my home town, I remember sitting in the Pool Elevator and watching out the window. The Pool man said, "There is so-and-so going down the road with his four horses and big grain tank hauling out some barley. I feel sorry for him. He has a lot of hogs out there that he has to feed, and he can only have one month's supply at a time. He is worried sick. He is short of money and we are afraid the ceiling is going to be lifted at any time, and they are going to be thrown on the open markets." I said, "Well, there is not much danger of that, the policy is not that at all." Later on, I happened to be visiting our federal Member — our federal Member was not a Liberal, incidentally — and I asked him what the probability was of coarse grains being thrown on the open market. He said he did not think they would dare do such a thing; but a few days later they did. Well, the poor farmer, who had only been able to get his month's supply at a time, was not as lucky as some of the big companies who had it stored in their elevators.

Unfortunately, the farmers in Eastern Canada got the impression that Saskatchewan farmers had been deliberately holding their grain off the market in anticipation of the sudden rise, as was brought out in this Farm Forum debate, because the farmers in Eastern Canada had been unable to buy feed for their stock for some weeks. I think it was, before the decontrol occurred; and the farmers of Western Canada, as statistics had shown, had been delivering exactly their normal deliveries for that time of year. Somewhere in between, the stocks had accumulated, much more than could accumulate in the granary of the little man feeding his hogs.

I will support the Resolution.

Mr. D.M. Lazorko (Redberry): — There has been a certain amount of discussion on this Resolution from every angle. I want to add only a few words, to give you an idea how the things discussed under this Resolution affect our part of the country. Throughout the whole northwest of our province we had almost a total crop failure this year. The decontrol policy of the Federal Government has hit this part of the country in more ways than one; first, in all the commodities we have to buy. What hurt the farmers most, in the south, was the decontrol affecting feed grain. We had no feed of our own and we had to ship it all in, and most of the people who were raising cattle or hogs found themselves in a position where their could not buy any more feed. What I have seen happen there is a little different from what I have heard expressed in this House by the hon. member for Arm River (Mr. G.H. Danielson).

Our farmers, in our part of the province, have sold out not only feeder stocks, but breeding stocks. I have seen a good many farmyards where small feeder hogs, of around one hundred pounds, have been butchered and sold on the open market. In general, our part of the province has been hit hard as a livestock-producing area in this province. We had the same thing happen back in 1937, when we were forced to unload cattle at sacrifice prices. This year the same thing has happened, thanks to the policies of the Liberal government in Ottawa. Whatever anyone may say, trying to whitewash the actions of the Liberal government in Ottawa, or those of the Minister of Agriculture, the fact is still there — that the north-west part of the province, as a livestock-producing area, will be crippled for a number of years to come.

Looking a little wider than our own province, or the farmers within this province, any federal government that will adopt a policy much as this, which will cripple livestock production, at this time when people in Europe and other places are crying for food — begging for food — that government stands condemned before the people of the world and before our people who are trying to produce and feed them.

I will support the Motion.

Mr. W. Burgess (Qu'Appelle-Wolseley): —Mr. Speaker, speaking as a farmer, I am not inclined to take any pleasure in the fact that the Government at Ottawa handled the situation under discussion badly. I would be better pleased if they had handled it better. It is not true, as far as I am concerned, that we who happen to be C.C.F. supporters are in great glee because Mr. Gardiner furnished us with a good political argument. I consider that a political argument is not half as valuable to me as a good agricultural policy would be, regardless of who gave us the agricultural policy.

I congratulate the hon. member for Arm River (Mr. G.H. Danielson) and sympathize with him. I know that his opinions and my own are not very far apart, as far as an agricultural policy is concerned, which is fortunate, because it is really necessary that we western farmers speak with as united a voice as possible. As E.A. Partridge said, with all the men we can muster, we still have enough opposition in Canada to the policy that would be in the

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best interests of Canadian agriculture, particularly western agriculture; and I say I congratulate the member for Arm River when he says he is going to support this Resolution. I am afraid some of his colleagues are not as enthusiastic in their support as he is, but I cannot speak for them; and I sympathize with him in his attempt to soften it, to some extent, for his political friends, because there is no doubt about it, they left themselves and all men like the member for Arm River in a very precarious position when it comes to arguing this particular Resolution.

As a matter of fact, it seems to me that this Resolution is an attempt to take a step towards what we in Canada need more than anything else, and that is a conscious agricultural policy. The member for Arm River says the price of wheat and the price of coarse grain should bear a proper relationship, one with the other; the Hon. Minister of Agriculture says the price of coarse grains and the price of livestock should bear a fair relationship, one with the other. The member for Arm River, I think, is, like myself, more interested in wheat than he is in livestock; the Hon. Minister of Agriculture is a livestock man, — but I say, Mr. Speaker, that the farm policy of Saskatchewan, and the farm policies of Canada ought to be made to fit in together and bear some relationship one with the other.

I haven't the book with me and cannot tell you the page and chapter, but in the midst of the depression there was a book written by Professor Swanson of the University of Saskatchewan entitled "Depression and the Way Out." I got the book from the Wheat Pool library — I think there is a copy of it there yet; I have never seen it anywhere else. As a matter of fact, I do not think the book was classed as a 'best seller' or anything of that nature, but it contained what, to me, was one of the sanest arguments about the agricultural situation in Canada that had ever read up to that time, or since. No doubt Professor Swanson is well known to all members of this House, but lest anyone should think I am quoting some C.C.F. professor, let me assure him that the Professor was one of the advisers that R.B. Bennett took with him when he went to the Wheat Conference in Rome, somewhere about 1932.

Professor Swanson said in his book that the curse of agriculture in Canada was that the politicians had persistently and continuously refused to look at it as one picture. It had been too often considered good politics, and smart politics, to pass certain Acts which might appear to be good for certain groups, and give them the idea that they were getting some advantages; and then go on and give some other group other advantages.

He used as one of his examples, that the dairy farmer, possibly, at or near Montreal, was desirous of having the Montreal market, so there! So the politicians said, "Okay, we won't let in New Zealand butter." I believe the echoes of 'New Zealand butter' can still be heard in Canada. I am sure they still ring in the ears of the member for Arm River; but it never occurred to the people who were arguing against admitting New Zealand butter that the same purpose could be achieved by encouraging the production of dairy products in the district near Montreal.

We had a situation that a farmer living at Lang, Saskatchewan -for instance — in shipping coarse grain to Montreal paid a freight rate sufficient to pay the freight on the same grain, through Montreal, across the Atlantic Ocean to Liverpool, and a hundred miles inland in England — the freight rate to Sherbrooke, Quebec, was equal to that; and they had another tariff on the corn or feed grain coming out of the United States to Eastern Canada which they said helped the farmer of Saskatchewan sell his coarse grains. We had stories about the eggs that came in to Vancouver — these are examples contained in the book to which I am referring, examples cited by a man who was employed by the Conservative Premier of Canada, so there would be no political bias. He told us, for instance, that the freight rate on grain from Saskatoon to Vancouver, which was the greatest egg-producing district in Canada, was sufficiently high that if you could take advantage of the export rate, take false affidavits and not get caught at it, you could actually ship wheat from Saskatoon to Vancouver, load it on a ship, ship it to Mexico, unload it off the ship, load it back on another ship, ship it back to Vancouver, unload it there and save money; as compared with the domestic freight rate to Vancouver.

These were just a couple of examples of the refusal of the people who governed Canada to look at agriculture as one picture. The fiasco that we had last autumn was just another one of those. There is no use of anyone arguing that they are today, and always have been, in favour of an orderly marketing for grain, unless they have been taking some part in getting that thing done for a number of years. If someone says to me: "I never believed in it before, but I have suddenly become convinced that it is a good idea," I might accept his as a convert; but when he tries to make me believe that he has always been for it, and has done nothing about it, I am a bit suspicious.

Mr. M.H. Feeley: — What do you call him?

Mr. Burgess: — Well, I do not call him anything, because there are no parliamentary terms with which you can describe him. Those of us who have been wafting at this marketing system for farmers, men like the hon. member for Arm River, and myself, agreed years ago that we had to get an orderly marketing system for agriculture, and that we could not possibly be subjected to the whims of the speculative market. I do not think anything has ever happened that has shows it so plainly as this coarse grain business, because in the first place the member for Arm River was right when he said that the people growing coarse grains were not getting a fair price for them in relation to other things. That was true. Their price was being held down too low, the Hon. Minister of Agriculture, to the contrary, notwithstanding. We have to get a higher price for coarse grains. The price for livestock would have to be raised to pay for that. The situation is rapidly getting to the point where there were going to be no feed grains unless the price of feed grains was permitted to rise. I say, Mr. Speaker, in spite of that fact, the farmers, even those who had coarse grains for sale, almost without exception, were not very happy to see the controlled market removed as far as coarse grains were concerned.

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To give you an evidence of that, from a perfectly independent source, the 'Grenfell Sun', published in the constituency of Moosomin, at the edge of my own — and the Editor of which I think is as close to being as independent in politics as you can get, because he sometimes favours the C.C.F., sometimes the Liberals and sometimes the Conservatives — and how anybody can favour them all, he has to be either independent, or crazy or something, in order to do that, but he is pretty close to being independent; and he put on a sort of Gallup Poll, according to the article in the paper. I cannot give you the date of the paper, as I did not expect to be making this speech — but it was perhaps three or four weeks after the removal. He said he had asked, I think, twenty farmers picked at random, except for the fact that he made sure that he spoke to farmers of different political opinions — what they thought about it, and according to the article in his paper, not one of them liked it. He told in his article that a number of them had coarse grains for sale and the price had gone up, and still they did not like the idea of losing the Board method of marketing.

Now, that was rather exceptional. I am not going to suggest for one moment that one hundred percent of the farmers were opposed — as a matter of fact, Mr. Speaker, there are a few of us farmers who, if we could, have this (I say a few of us, I don't mean that I am one of them) — but there are some farmers who would, if they could, have a grain board with a guaranteed price — a good high, guaranteed price — and on top of that a Grain Exchange where, if it should happen to go up a little higher, they could get that, too. Now that is just a little bit impossible. People who have studied it realize that you cannot do that. You can't have it both ways. There are people who would like to have a low price for the buyer and a high price for the seller; that is, the people who grow the grain would get a high price and the people who had to buy it would get it at a cheap price. That, again, Mr. Speaker, is not easy to do. There has been a situation in Canada too long, however, where there was a low price for the seller and a high price for the consumer, and too many people who were neither growers of grain nor people who did anything about it, too many people who figured they were entitled to the dream of the profits.

We decided — I do not think there is such argument in Saskatchewan or in the Saskatchewan Legislature — that we need a Grain Board to assist the farmers and the farmers' organizations in the marketing of their grain. I do not care whether you put the coarse grains under the Wheat Board and have one Board — personally, I think it would likely be better to have two Boards, one handling wheat and the other handling coarse grains, but that is not important — at least, not too important. I think we need the grain marketed through a Grain Board, and I am distinctly suspicious of this question of the constitution — as to whether it is constitutional or not — especially if that argument comes from some person who says he is in favour of the idea. I am not a constitutional lawyer, and it may be against the constitution, but the people who have been ruling Canada for the last ten years, or twenty or thirty years should have decided long before now whether it was in accordance with the constitution or not; and furthermore, if they really and sincerely

want to give us a Grain Board, and they have some doubts about its constitutionality, they should be getting after it as fast as possible. You know, this business of hiding behind the skirts of the constitution can delay necessary and desirable legislation for years on end. They can pass an Act, depending on the courts to throw it out — then they would not have a Grain Board for another year. Then they can have an election, possibly get re-elected with the confidence of the people that they really intend to do something, and then do what they did in 1936, kick the whole thing out the window after they are safely back in office.

No, Mr. Speaker, if the Government are sincere and in earnest about giving us a Grain Board, they will waste no time in getting the necessary legislation passed, and if they need legislation in Saskatchewan to give them the power, I do not think there is a member in this House, of any political group, that will vote against the enabling legislation. There might be one or two, possibly, who did not like it too well, but they would not vote against it.

This Resolution, as I say, offers one step in this stable, agricultural policy. It offers another step, in the closing of the Winnipeg Grain Exchange. Having a marketing Board for all grains, we will have no further need for the Winnipeg Grain Exchange. I would not be opposed to giving the boys a pension — as a matter of fact, anyone who has lived for years, doing nothing, it would be rather hard on him to have to go to work — it certainly would be an economy from the standpoint of the farmers to give them a decent pension and let them still live in idleness for the rest of their lives. It would be better than having a quarrel with them in the courts about whether or not there was any justification. I do not like the European idea of liquidating them — no, I think I'd be inclined to give them a little pension.

The first clause of this Resolution — to reimburse the farmers who were badly treated in the October change of policy — now, the statement is made that the companies who had the grain are going to make a payment of part of it, or what they have, to the farmers who delivered the grain. I quite believe, Mr. Speaker, that they will; in fact, I am sure they will, because, fortunately for the farmers in Saskatchewan, years ago we did build a grain-handling organization of our own, which will have perhaps one-third of that coarse grain in their possession; and it goes without saying that that organization will do something, as close as possible, to the square thing, with the people who gave them their grain. The other companies will do something, too, because it would look funny if they did not. The reason for that is not because the Federal Government asked them to. If we did not have a Wheat Pool in western Canada, there would not be any talk about the companies coming through with that profit. It would have been considered a perfectly legitimate business profit, which they ought to be allowed to retain; but even if all of them are as honest as can be, they will not have it all. No one knows how much was sold before the October 21st order, but certainly some of it was, and the Government, if they had wanted to do something that would

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have been reasonably fair to the farmers, and reasonably satisfactory, could simply have raised the ceiling price on oats and barley by a reasonable amount. Again, I say the member for Arm River was right when he said those prices were too low. The market that went up thirty, forty and fifty cents in a few days, went too high. It has since come down, perhaps closer to where it ought to be, but they could have raised it ten or fifteen cents and no one would have complained — no farmer at all would have complained, he would have thought it was fair — and they could have sold the grain the same way they sold the wheat. The member for Arm River says that the price of wheat had got too high in relation to coarse grains. Why? Because wheat was being sold and a Participation Certificate was given for it; but they didn't do that with oats and barley.

Somebody said — I do not know whether it was one of our boys or one of the others — that had coarse grains been sold by the Board the same as wheat — but it never had, Mr. Speaker. Coarse grains were never handled the same as wheat. Coarse grains have been made the biggest fool of, of any farm product of the works for the last four or five years. I think perhaps, from the standpoint of the farmer, he got the biggest juggling on barley prices of any single commodity that he grew. As a matter of fact, two years ago, I believe, in this Legislature, I was speaking on a somewhat similar Resolution, and I quoted a figure on brewing barley in Canada and in the United States. Brewing barley in Canada, at the elevator at that time, was worth, I think, some seventy cents, and in the United States \$1.60. Beer in the United States was ten cents, and in Saskatchewan 'two bits'. Those figures are subject to correction, Mr. Speaker, but they were in that relationship, anyway. I think we have been robbed on our barley prices more than on a other single commodity. Why the Government did not put barley in the Board, on the same principle as wheat, and make contracts if they like, I do not mind even giving the Ontario farmer his barley a little below what it could be sold for on the market of the world. I do not object to an agricultural policy that looks on Canadian agriculture as one picture — as a matter of fact that is what I'm advocating. That is what we want. We want a livestock industry in Eastern Canada, and we want a livestock industry in Western Canada. If we are going to grow coarse grains we need that industry as a market for our coarse grain, and we do not want to kill it with a speculative boom price for a month or two, followed by a price of ten, or five, or six, or eight cents a bushel, a year or two later.

The farmers of Western Canada, not because they are smarter than other people, but because, by the very kind of a life they live, and the fact that they have to depend on a world market, have had to take a broader view than most businessmen. They have had to recognize that they are dependent, for their survival, on a prosperous customer. That is why we believe in good wages for labour — that is why we believe in not taking advantage of famine

in Britain. That is why the farmer of Saskatchewan is not kicking about letting Britain have his grain at a reasonable price; that is why the farmers of Saskatchewan can pass the most advanced labour legislation in North America — because they have to recognize that they are world citizens. Now, that is perhaps getting a little bit away from the Resolution; I don't know, and I think perhaps I have said enough to indicate that I am going to vote in favour of it.

Premier Douglas: — I had not intended to take any part in the debate, and I only intend to take a few moments; but there were two statements made this afternoon which I think ought to be examined in the light of the facts.

One of the things which the Liberal Party have always done with reference to the policy of marketing of coarse grain, has been to hold out hopes of what may come, or what may be done; but "hope deferred maketh the heart sick." There are a lot of sick hearts in this country.

The member for Arm River, (Hr. G.H. Danielson) suggested two things, and I wish to take a few moments to deal with each of them — one, that some compensation (he said, on his responsibility as a member) would be made to the farmers of Western Canada who sold their coarse grains prior to October 21st; the other was that legislation was now going to be brought down in Ottawa so that coarse grains could be handled through the Wheat Board.

Let us look, for a few moments, at those two statements. The statement made by the member for Arm River, which he made on his own responsibility, of course is similar to a statement which was made by the Leader of the Liberal Party of Saskatchewan; but I am sure that the farmers of Saskatchewan know very well that you cannot buy many babies' shoes on the basis of a statement made by a private member. You can only get money on the basis of a statement made by the Minister who is responsible for actually bringing down legislation, or for carrying through a policy, which will give them some compensation. The two Ministers who are responsible, of course, are the Minister of Trade and Commerce and the Federal Minister of Agriculture; and the Federal Minister of Agriculture made his position abundantly clear, according to the press reports which I have here, both from the Saskatoon Star-Phoenix and from the Regina Leader-Post, dated January 24, and the statement is this:

"When sufficient grain companies are in a position to say what adjustments they are prepared to make on coarse grains, delivered prior to October 21st, the time the price ceilings were lifted, then the government will consider" —that's a good word — "any obligation they may have" — not that they have — "any obligation they may have to such farmers."

Now, that is the statement of the Minister who is responsible, and the Minister who represents Saskatchewan in the Canadian Cabinet —that when the companies have made some adjustment — if they make it — then the Government will consider what obligation they may have. The report goes on

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to say that some companies have talked about paying ten or twelve cents, and it is to be hoped that other companies will follow suit. It even says, "We appreciate that some companies have seen fit to make these advances, and we hope and expect that others will follow." Of course, no companies have yet made advances; everyone knows that the taxmen who sold the coarse grains will get something back from the Pool, because it is their own organization, but what advances they will get from other companies no one knows. The Minister says, "if they make these advances", will then consider what obligation, if any, the Federal Government has.

Now, the member for Arm River may say they are going to get indemnified, but on the basis of that statement, most farmers, I think, will wait a long time before they get any compensation; and when you talk in terms of ten or twelve cents a bushel, that is a long way from the thirty or thirty-five cents a bushel that the price went up.

The second hope that was dangled before the eyes of the people of this province was that legislation was being brought down to provide for coarse grains being handled by the Wheat Board. Well, that is an interesting story, Mr. Speaker. I do not want to weary the House, going over all of it, but may I remind the House that, first of all, The Canadian Wheat Board Act was brought down by a Conservative government in 1935. That Act provided for two things to which the Liberal Party were opposed. It provided first of all, that by Order in Council, the Wheat Board could be authorized to handle coarse grains. They were opposed to that. It provided, secondly, that the Wheat Board would handle all wheat — it was to be a compulsory wheat board. Most members will remember, that summer, when that legislation was held up from the beginning of June until the middle of August. Two men spear-headed the campaign against that legislation — one was Mr. J.R. Murray, Secretary of the Winnipeg Grain Exchange, and the other was Colonel Ralston, who was at that time a member of the House of Commons and the financial critic for the official Liberal Opposition.

Mr. Murray, with a delegation outside of the House, and before the Agricultural Committee — and Colonel Ralston inside the House, and in the Committee — held that legislation up for two and a half months. They finally got a compromise. The compromise was that the legislation was altered so that it was optional as to whether or not a farmer delivered his wheat to the Wheat Board or delivered it out on the open market, and the Liberal Party, who had fought this Wheat Board, then went out to say that they had saved the Wheat Board and removed the compulsory features — which my friend from Athabaska always wants removed — they took the compulsory features out. I will show you what happened when the compulsory features went out.

The first thing that happened when they got back into office was to fire Mr. McFarland who was in charge of the Board, and then look around for somebody who would be friendly to the Board — so they got Mr. J.R. Murray, Secretary of the Winnipeg Grain Exchange; who had spent the previous

two and a half months trying to kill the Wheat Board, and they put him in charge of the Wheat Board. I said in the House of Commons at the time that it was like putting a skunk in a henhouse to raise chickens. Well, it had about the same effect on the Wheat Board, because the first thing that happened was a 'fire sale' of wheat; the next thing that happened was that an Order in Council was passed saying that the Wheat Board would not take delivery of wheat as long as the price stayed above ninety cents; so that, by an Order in Council, the Wheat Board virtually ceased to operate, and for the years that followed, the Wheat Board operated only when the price dropped below ninety cents. In other words, when the bottom dropped out of the market, the Wheat Board functioned, and when the price was good the speculative market functioned.

The next thing that was done was to send The Wheat Board Act to take out of that Act the provision which allowed the Wheat Board, by Order in Council, to handle coarse grain. I mention this, Mr. Speaker, because I would like the members to remember that never, at any time, either in 1935 when the Act was passed, or during the years subsequent to it, was the question of the constitutionality of the Wheat Board handling coarse grains ever raised. It was in the Act — it was not a matter of complementary legislation — it was in the Act when it was passed; it was taken out by Liberal administration. There was no question then as to whether or not the Wheat Board had power to handle the coarse grains — it was empowered in the Act to handle coarse grains.

Mr. G.H. Danielson: — May I ask the hon. gentleman a question? Would he say there was compulsory provision in The Wheat Board Act for the Board to handle coarse grains?

Premier: — My hon. friend either does not listen or he cannot understand.

Mr. Danielson: — There's no need to cast slurs at me.

Premier: — No, but I've said it three time to my friend. He either does not listen closely or . . .

Mr. Danielson: — I listen too closely for you.

Premier: — I've said it three times now — that the provision in the Act was that by Order in Council the Wheat Board could be empowered to handle coarse grain. It couldn't be compulsory, because it had to be done by Order in Council; that is, the Act did not provide that coarse grains must be delivered to the Wheat Board, but it did provide that, by Order in Council, the Wheat Board could be given the power to handle coarse grains. I think I have said that three or four times, and now that my friend has got it, I am sure it is unanimously understood. That's interesting because of the Revolution now before the House.

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So, in the years from the time the Liberal Party took office in 1935 until the outbreak of the war, the Wheat Board handled only wheat when it was below ninety cents, and ceased to use the power — it was taken away from them, as a matter of fact — to handle coarse grains, and the power for the Governor General in Council to give them the authority to handle coarse grains. When the war came, of course all members know the Winnipeg Grain Exchange was closed, and the Wheat Board, which had not been allowed to handle wheat except when the price got low, were now allowed to handle wheat because the price might get too high. Before, it could only handle it below ninety cents; now, the Wheat Board could handle all wheat because the world price was going up, and a Board which could not handle it before, now was able to handle it all. It has already been mentioned, fixed prices were placed on coarse grains, although they were not handled through the Wheat Board.

On February 17, 1947, a little over a year ago, when the Wheat Board Act was being opened up for some minor amendment, the member for Yorkton moved, seconded by the member for Weyburn, that the Wheat Board should be empowered to handle coarse grains. At that time the constitutional issue was not raised — the government simply said they were not prepared to extend the powers of the Wheat Board to handle coarse grains; yet this fall, when the ceiling had been taken off coarse grains (and taken off, incidentally, when, as the Leader of the Opposition said in the Federal House and it was never contradicted — when, as he claimed, 85 per cent of the coarse grains was out of the hands of the farmers) and when the Rt. Hon. J.G. Gardiner was being questioned on the prairies here as to why coarse grains could not be handled by the Wheat Board, his answer was — "it would mean amending the Statute." Well, everybody knows that!

Mr. Danielson: — That's what McIvor said, too.

Premier: — Well, in the first place, it had been in the Statute and he had taken it out; and secondly, in February, 1947, they had had the chance to accept an amendment which would have amended the Statute, and they turned it down. Then, to crown it all, Mr. Tucker says, "When I go back to Ottawa, this coming Session, I'll take it in hand to try to get this Act amended so they can handle coarse grain." In 1935, they had gone in with the power to handle coarse grains, threw it out, had never put it back in, and now, in 1948, they are going to amend it so they can handle coarse grains.

As a matter of fact, Mr. Speaker, it is interesting to note that there is not, yet, any legislation before the Federal House. What is before the Federal House is a Resolution which must always precede a financial Bill, by the rules of the Canadian House of Commons. A financial Resolution is before the House, which precedes a Bill, so that we do not yet know what the full terms of the Bill are. Indications are, first, that in all probability, among the number of minor amendments, the Federal Government is going to be

given power, by Order in Council, to let the Wheat Board handle oats and barley — not all coarse grains — but oats and barley; and that does not mean that the Wheat Board will handle coarse grains, or oats and barley — it simply means that if it passes, the federal government will be able, by Order in Council, to give them that power; but there is no guarantee that they intend to give them that power. They had this power in '35; they had it in '36; they had it '37 — didn't use it — as a matter of fact they took it out; now, all they are proposing is to put back the right to delegate certain powers to the Wheat Board, without a single guarantee that they ever intend to delegate those powers to them.

Then, to complicate the picture further, so that they won't have to delegate these powers, they say, "Well, of course, this may need complementary legislation." As I have said to the hon. members, this power was there before, when the McFarland Board was set up. There was no question then of 'complementary legislation' — and if the Federal Government is thinking about needing complementary legislation, if they knew they were going to take the ceiling off last fall, wasn't the time a year ago to pass this legislation and to have asked the provinces to prepare complementary legislation and get it on the statute books before they took the ceiling off? But they took the ceiling off first. Now they are bringing in a Resolution so that the government, by Governor General's Order in Council, can give this power to the Wheat Board — and then they say they need complementary legislation!

Well, as to whether or not they need it, I am not prepared to say. Certainly I know that it has never been raised before. They had that power before, without any complementary legislation; but I rose for the purpose of making perfectly clear the stand of the Government with reference to this matter. On Monday, March 1, I wired the Hon. C.D. Howe., Minister of Trade and Commerce, as follows:

"PRESS REPORTS YOU AS STATING THAT COMPLEMENTARY LEGISLATION MUST BE PASSED BY PROVINCE TO ENABLE WHEAT BOARD TO HANDLE COARSE GRAIN. SASKATCHEWAN GOVERNMENT ANXIOUS THAT WHEAT BOARD HAVE THIS POWER AS SOON AS POSSIBLE AND THEREFORE REGRET THAT WE HAVE NOT BEEN APPROACHED WITH A VIEW TO HAVING COMPLEMENTARY LEGISLATION PASSED. WILL YOU FORWARD TO US AS QUICKLY AS POSSIBLE DRAFT OF COMPLEMENTARY APPROVED LEGISLATION WHICH IN OPINION OF DEPARTMENT OF JUSTICE WOULD GIVE TO THE WHEAT BOARD THE NECESSARY POWERS TO HANDLE COARSE GRAIN. HASTE ESSENTIAL IF THIS LEGISLATION TO BE DEALT WITH BY LEGISLATURE DURING PRESENT SESSION."

That was on March 1. On March 2, a wire was received from Mr. Howe in which he says:

"THANKS YOUR WIRE MARCH FIRST RE COMPLEMENTARY LEGISLATION TO ENABLE WHEAT BOARD TO HANDLE COARSE GRAIN. AM ASKING MINISTER OF JUSTICE TO COMMUNICATE WITH YOU. YOU WILL APPRECIATE THAT FEDERAL LEGISLATION IS STILL AT RESOLUTION STAGE WITH INDICATIONS OF STRONG OPPOSITION WHICH MAY DELAY ENACTMENT."

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Mr. Danielson: — From the C.C.F.

Premier: — Not the C.C.F. — I think the difficulty is in caucus.

Mr. Danielson: — It has never been on the floor of the House, you know that.

Premier: — I wired on the same day, March 2, to the Rt. Hon. J.L. Ilsley:

"MINISTER OF COMMERCE ADVISES THAT MATTER OF COMPLEMENTARY LEGISLATION TO ENABLE WHEAT BOARD TO HANDLE COARSE GRAIN HAS BEEN REFERRED TO YOUR DEPARTMENT. COULD YOU HAVE AT EARLIEST CONVENIENCE DRAFT OF COMPLIMENTARY LEGISLATION WHICH IN OPINION OF YOUR DEPARTMENT WOULD GIVE WHEAT BOARD NECESSARY POWER TO HANDLE COARSE GRAIN. SESSION MONTH OLD. HASTE ESSENTIAL IF ACTION TO BE TAKEN DURING PRESENT SITTING."

I quote those wires because I would like to make it perfectly clear Mr. Speaker, first of all that there has been no request from the Federal Government to have complementary legislation passed, and I would like to make it absolutely clear that, if such legislation is forthcoming, we will be glad to bring it down as quickly as possible. If it is not possible to bring it down before the House adjourns, we are quite prepared to call the House together at any time in order to have this legislation placed on the Statute books, in order that the Federal Government may have no obstruction, real or imagined, which would prevent them from giving to the Wheat Board the power to handle coarse grains; but I submit to you, Mr. Speaker, that, both the possibility of the farmer getting compensated for coarse grains sold before October 21 and the possibility of the Wheat Board being actually empowered to handle coarse grains, are possibilities which, in my opinion, are very dim indeed.

Mr. A.L.S. Brown (Bengough): — Mr. Speaker: In rising to close this debate, I am afraid the prophecy made by the hon. member for Qu'Appelle-Wolseley (Mr. W. Burgess) to myself has come true, when he said that if you sit here long enough, everything you intended to say yourself will be said. However, I wish to preface my few short remarks, to view the statement that was used here yesterday, I believe, and say that my remarks will be non-political.

I do wish to make reference to one other statement, in addition to the statement made by the hon. Premier — a statement that I believe should make six-inch headlines in the Leader-Post tomorrow morning — when the hon. member for Arm River (Mr. G.H. Danielson) suggested that we have the assurance, on his responsibility as a member here, that next fall we will receive a payment of \$2.00 for our wheat. I am sure that the farmers of Saskatchewan will be very interested in that statement.

Mr. Danielson: — On a point of privilege: I don't mind the hon. member quoting me, but I want him to quote me correctly. I said that the Wheat Board price, f.o.b. Fort William, advances on the first of August to \$2.00 a bushel. That is known to every farmer except the member for Bengough.

Mr. Brown: — I am not quite sure that the hon. member for Arm River understands the statement he just did make. He suggests that it is going to be \$2.00 a bushel, f.o.b. Fort William. That is true, only to the extent that that is the amount the British Government will pay us, and has not necessarily any relationship to what we, as individual farmers may or may not receive.

He also suggested that by the decontrol of coarse grains on October 21, there was no opportunity for speculative gains being made by speculators upon the Winnipeg Grain Exchange. If he is suggesting to this House that by this procedure of decontrol of coarse grains at this date, that it did not make it possible for professional gamblers in the Winnipeg Grain Exchange to obtain fortuitous profits, then I suggest to him that he knows less about May oats than I do about Mae West. However, I do feel that for the short period — and I submit, Mr. Speaker, that he did not delay this discussion too long this afternoon — that when the hon. member for Arm River was speaking this afternoon, he illustrated, in my opinion, possibly the greatest display of political hypocrisy that I have ever seen in this House.

Mr. W.J. Patterson: — On a point of Order . . .

Mr. Speaker: — Order! The hon. member must withdraw that statement.

Mr. W.J. Patterson: — He might at least pronounce it properly!

Mr. Brown: — Mr. Speaker, if it is unparliamentary.

The hon. member has suggested that he is going to support this Resolution because it places the marketing of coarse grains, or proposes to place the marketing of coarse grains, under a National Marketing Board. In this Resolution, I think it is very clear that it must be a compulsory marketing Board, and yet yesterday, we saw these same individuals heartily pound their desks when the hon. member for Athabaska suggested that we should take out of our Boards the same compulsory features that he suggests he is prepared to support in a National Marketing Board.

A Voice: — Not very consistent, is he?

Mr. Danielson: — Fish don't keep as long as wheat.

Mr. Brown: — That is only too true; but he also suggests that if — and I say "if", Mr. Speaker — the Liberal Government at Ottawa put into effect a National Marketing Grain Board, that he would be taking away from the C.C.F. some possibilities of political propaganda. I am afraid that the hon. member for Arm River does not understand the philosophy of those who make up the C.C.F.

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We are not interested in the C.C.F. as a political Party; what we are interested in is building a Co-operative Commonwealth Federation here in the Dominion of Canada, and if, by putting this upon the Statute Books and making it operative, we will have accomplished one more step toward that aim of a Co-operative Commonwealth here in the Dominion of Canada.

In closing, may I repeat something that I said in moving this original Resolution. In my opinion, the issue is clear. If we support this Resolution we are supporting a system of socialized orderly marketing. If we vote against it, then we are supporting a system of free enterprise marketing. I think that is the issue upon which we must make our decision; that by inaugurating that which we have suggested in this Resolution, we are taking a very large step toward inaugurating in Canada a complete system of social ownership and social control.

The Motion was agreed to 41 to 0 (unanimously).

SECOND READING

Bill No. 62 — An Act to amend The Rural Municipal Secretary Treasurers' Superannuation Act, 1941.

Hon. Mr. Brockelbank: — This Bill contains some minor amendments which we need not discuss at this time; but there is one particular point in it which I would like to mention to the House. Provision is made to raise the basic superannuation allowance from \$300.00 a year to \$360.00 a year. I might just give the House this information in regard to this provision in the fund, and the effect it will have. At the present time, the superannuation allowance reserve fund has in it almost \$147,000. With the allowance at \$360.00 a year, it is calculated that this fund will continue to increase, without any additional contributions, for the next 25 years. At the end of 25 years, it will be about on an even base, and then will begin to decrease until about the year 1993, which many of us will not be interested in; and at that time, in 1993, it is estimated that the fund will still contain over \$100,000. I just wanted to mention this to let the House know that this is considered to be a very safe Amendment to make to this Act, and I move Second Reading of the Bill.

The motion for Second Reading was agreed to.

Bill No. 63 — An Act to amend The Controverted Municipal Elections Act.

Hon. Mr. Brockelbank: — This Bill simply provides that a candidate for municipal office, who is not qualified at the time he is a candidate, and who is elected to office — that the disqualification will continue. Previously, that disqualification only continued for a period of six weeks, and if he was not caught in that six weeks he got away with it. This will mean that the disqualification will continue. The details of it can be considered in Committee. I move Second Reading of the Bill.

The Motion for Second Reading was agreed to.