

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

## Fifth Session — Tenth Legislature

The House met at 3 o'clock

Thursday, March 18, 1948.

### ORDERS OF THE DAY

**Mr. D.M. Lazorko (Redberry):** — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to correct a statement appearing in the Saskatoon Star Phoenix, Saturday, March 13, 1948 and again in the editorial page, Tuesday, March 16, 1948.

I am reported to have said in discussing public health in general on the Budget Debate, "If the medical profession feels it has a fight on its hands, it is not with the Premier and the Government, it is with the people of Saskatchewan who are fighting for their bread and butter". The two words "fighting for", Mr. Speaker, do not appear in my notes; I have listened to the records, they are not on the records and I have a transcription of the records and they do not appear there. When an editorial is based on an over-enthusiastic slip of a pen I think that one should be corrected.

**Mr. Wm. J. Arthurs (Melville):** — Mr. Speaker, before the Orders of the Day, I would like to draw to the attention of the House and congratulate the Melville hockey team on winning last night, and taking three straight games from the Manitoba champions, with a total score of 11 to 31. I would like to tell the House that the coach and every player on the Melville team, except one, was born in the town of Melville, and I am sure the members of this Legislature will join me in extending good wishes to the Melville hockey team when they meet their next opponents, the champions of Alberta.

**Hon. C.M. Fines (Acting House Leader):** — Mr. Speaker, by leave of the Assembly, I move, seconded by Mr. Patterson: That the present sitting be now (3.15 o'clock) suspended to permit the Assembly to hear the Hon. James Thorn, High Commissioner for New Zealand. (Agreed)

**Hon. Mr. Fines:** — Mr. Speaker, this afternoon, we are very greatly honoured in having with us a very distinguished visitor. It is not very often we have an opportunity of having the pleasure of listening to a representative of one of His Majesty's Governments in other parts of the British Commonwealth of Nations. Today, we are very fortunate, through the kind co-operation of the Canadian Clubs; in having with us the Hon. James Thorn, High Commissioner for New Zealand. Mr. Thorn is a former member of the New Zealand Parliament having sat in the House from 1935 onward. Later on, he was re-elected in 1938 and again in 1943. In that year he was appointed as Parliamentary Under-Secretary to the Prime Minister of New Zealand. Mr. Thorn, on behalf of the hon. members of this House, and the people of Saskatchewan, I wish to extend to you

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a very warm welcome to our Province. We hope your stay with us in the next day or two, will be an enjoyable one. Now, it gives me great pleasure to introduce to the members of the Assembly, the Hon. Mr. Thorn, High Commissioner for New Zealand.

**Hon. James Thorn:** — Mr. Speaker, gentlemen: When I reached Regina, yesterday morning, I never dreamt that I would be invited to speak from the floor of the Saskatchewan Legislature. This must be a very rare privilege for people who are not actually members of this House, and I, personally, look on it as a very great honour which I deeply appreciate.

This afternoon, I will speak to you as the New Zealand High Commissioner to Canada. Part of my duty in that office is to inform Canadians about New Zealand and about New Zealand's achievements, and to strengthen the ties of friendship and good-will that bind our two peoples together. If anything I say here, this afternoon, leads to a clearer understanding between us, that will be a matter of very great gratification to me.

The first thing I want to say about New Zealand is that ordered colonization began there between 1840 and 1850 and it was carried through by British immigrants of an exceedingly good type. They left Great Britain during the decade that was described as the "Hungry '40's" and there is no doubt that many of them were influenced by two movements that were then taking shape in the Old Country. These movements were, first, the Trade Union movement and second, the Chartist Movement which was then campaigning for the adult enfranchisement of the people of Great Britain.

It can therefore be said, Mr. Speaker, that our public life in New Zealand began amid strong feelings for Democratic liberty and social progress, and tendencies, in our earliest days, were set afoot which have run right through our legislative experience.

In the early 1890's what was thought to be a political revolution took place in New Zealand, and legislation was passed shortly after which won for my country a world reputation for social experiment. Among this legislation there were these three main, very striking, enactments: The Industrial Conciliation and Arbitration Act by which a legal process was set up for the settlement of industrial disputes. That Act was passed 53 years ago, and is still on the statute book, and every Trade Union in the country is registered under

it. The membership of the Trade Union movement in New Zealand, today, is approximately 240,000. A second measure was the enfranchisement of women in New Zealand over 21 years of age. New Zealand was the first country in the world to enfranchise its women. The third piece of legislation was the institution of an Old Age Pension systems, and again, Mr. Speaker, New Zealand was the first country in the world to enact an Old Age Pension law. And from the law that was then put on the statute books, and by a process of growing, there was evolved the Social Security Act that was put on the statute books in New Zealand in 1938.

Now those three pieces of legislation have largely determined the character of many measures which have been enacted since. For instance, referring to the Industrial Conciliation and Arbitration Act, eleven years ago that act was amended so as to introduce the 40-hour week system in New Zealand industries, and the 40-hour week is now universal throughout the Dominion. The Act was also amended at the same time so as to make Trade Union membership compulsory in the case of all Trade Unions who are operating under awards of the Arbitration Court set up under that particular piece of legislation.

Generally speaking, the three principles which have directed New Zealand's policy in the past 40 to 50 years — and particularly over the past 12 years — have been these: The establishment by law and by legal process of minimum conditions in industry below which no worker can fall. Minimum conditions, of course, are fixed in the awards of the Arbitration Court. But in the case of workers, about whom they are making some difficulty so far as organizing them into Trade Unions is concerned, there was passed, four or five years ago, the National Minimum Wage Law and that sets out legal rights below which no man or woman, boy or girl can be employed in the industries of the country. And the principle of minimum conditions is not confined to any of our manufacturing industries. It was applied in a very effective way, in 1936, to our dairy farming community who were given the advantage of guaranteed prices by legal enactment. Guaranteed prices by a different procedure are also available for the farmers in our great meat-producing industries. And in connection with the sale of wool, which is done by auction, there are mitigations of the auction system so to insure that the price will not fall to uneconomic levels at which the existence of the wool grower might be threatened. A second principle which has certainly been in the mind of the present Government of New Zealand is that adequate protection must be given against the hazards of life and against the result of any weaknesses in our economy — hazards of life by old age, atonic invalidity, sickness,

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widowhood, orphanhood, and unemployment. The third principle is the provision of the very best medical care for all our citizens at the public expense.

These last two principles are good protection against the hazards of life and the provision of medical and health services have been covered comprehensively and generously by our Social Security Act, the principles of which I explained in detail, yesterday afternoon, to a meeting, kindly arranged for me by the women's section of the Canadian Club here.

Mr. Speaker and gentlemen, lady and gentlemen, the thought that animated the present Government of New Zealand has been this, that Democracy in the modern world, must take the form of tangible benefits for the masses of the people. If it fails to do this many will regard it as meaningless. If it achieves this it will accomplish two things at least: one, by safeguarding people from poverty and want, and it will give them the opportunity of reflecting on the nation's problems with unharassed minds so that solutions of their problems may be reached by the process of reason. And this is very important in these days, in my humble judgment. It will create a bulwark against those who favour sabotage, insurrection and bloodshed as the means by which our problems must be solved. Democracy will thus justify itself by deeds which actually bring a better life to the masses of the people, and wipe out inequalities that are indefensible. This, Mr. Speaker and friends, is, I think, a lesson that might be learned from New Zealand and its legislative achievement over the years.

I think I have taken enough of the time of the House, and I wish to thank you most sincerely for giving me this opportunity of addressing you, this afternoon, and, through this microphone, the people of this great Province of Saskatchewan. I can tell you this, quite truthfully, that many people in New Zealand are interested in the present political situation in Saskatchewan; but whatever the political complexion the Government of your province may take, we wish you and the people you represent, the men, women and children of this Province, we wish you well, and every possible prosperity in the future. We trust that your people will co-operate together in a spirit of friendship and sympathetic understanding in order to build up a society in which, for honest work done and services rendered to the community, all will be able to enjoy the good and happy life.

**Mr. Speaker:** — We thank you for your very informative address, and we wish you a happy sojourn in Canada.

**C.N.R. Extension — St. Walburg West.**

**Mr. R. Wooff (Turtleford):** — Mr. Speaker, in rising to support this Motion I can recall — as I believe many members in this House will recall — the pioneer days when the rumor of a railroad to be built through the area in which they had settled raised great hopes of a fulfilment of a promise that had been made before they should choose to settle in that given territory. In dealing specifically with the request for the completion of the railroad line between St. Walburg, Saskatchewan, and Beaver Crossing, Alberta, may I say it is not because it is the only unfinished railway project in Turtleford constituency, but it appears to be the only one there is any chance of it getting action on at the present time. There are two railway projects unfinished in the constituency I represent. Both these projects have been discussed at various times in the Federal House. In 1945, during the debate on the Department of Transport Estimates, the hon. member for Athabaska, Mr. J.M. Dechene, the hon. member for The Battlefords, Mr. Max Campbell, pressed for action for the completion of these two railway projects.

During the present Session the hon. member for North Battleford, speaking on this railway problem, referred to these two lines as having both ends built and the middles left out, a very unsatisfactory situation so far as the people in that part of the country are concerned.

With respect to the project outlined in the resolution may I quote the Federal Minister for Transport, Hon. Mr. Chevrier, page 2701 of Hansard, November 30, 1945: “In reference to the gaps which have been mentioned, namely between Heinsburg, Alberta, and Frenchman’s Butte, Saskatchewan, on the one hand, and between Beaver River, Alberta, and St. Walburg, Saskatchewan, on the other, I can say that many representations have been made to the Canadian National Railways and to me urging the completion of these gaps. I have received and read a large number of petitions. Many have been brought to me by the hon. member for Athabaska, and I know he has taken a keen interest in these two projects, as have other hon. members. My own view is that the gap between Beaver River and St. Walburg is one which deserves serious consideration”. In spite of the number of times that this railway project had been debated in the House of Commons, in spite of the hon. Minister’s assurance

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that this project mentioned in the resolution, this afternoon, was worthy of serious consideration, there has been nothing done, no move made to complete this project for the last 17 years.

As I said at the outset, Mr. Speaker, in dealing with the St. Walburg-Beaver crossing project and any figures I quote this afternoon, are relative to the area through which that line runs.

In order to give you just a brief history of this project I wish to quote a short paragraph: "Construction of a C.N.R. branch line from St. Walburg to Beaver River was authorized by Chapter 32 of the Statutes of Canada, 1929, at an estimated cost of \$4,212,000, or an average expenditure per mile of \$36,000 for 117 miles. A contract was awarded and construction begun in 1929." A standard grade was built over the greater part of the proposed road and an important trestle bridge was constructed to span the river at Beaver River crossing. In 1932, however, the contract was cancelled and the contractor paid a substantial sum as compensation for the non-continuance of the work. The annual report of the then Minister of Railways and Canals for the fiscal year, 1934 and '35 reveals that the total expenditure on this project was \$2,010,000. After the spending of \$2,010,000 — almost half the original vote — the grade and this trestle bridge over the Beaver River has been allowed to deteriorate for a period of 17 years, with the people through that portion of Saskatchewan and Alberta working against a tremendous handicap so far at transportation is concerned.

I would like to quote a few figures concerning the population in this area; that is, the area adjacent to this line, at both ends, had been settled as early as 1910, while some of the remoter areas have been settled from time to time, many through the Goodsoil area and west to Pierceland about 1929. I am going to give figures which show an increase. In 1921, it stood at 8,300; in 1931 — 15,900; 1941 — 26,700. That Mr. Speaker, shows the steady increase of the population through this area. It almost tripled from 1921 on and that while the population through western Canada stood still and the remainder of Saskatchewan decreased.

One of the influxes of settlers in this north-west portion of Saskatchewan took place during the “Hungry ’30’s”. When I saw with my own eyes people trekking up our highways and byways with all they had on wagon or truck — a trek back into this railroadless area. Just in passing, I would like to tell you the remark one mother made to me two or three years ago. She said the first summer they were in the north the children almost lived in the creek because that was all they had to wear. If a stranger showed up they literally hit the bush or jumped in the creek because it was the only covering they possessed.

Now, I would like to pass on from population to a few figures relative to agricultural production throughout this area. I think it is a fair indication of the permanency of agriculture, that it is not just a “fly-by-night” growth. In 1945, the last year for which figures are available, the cultivated acreage stood at 419,500; the total grain delivered to market up to 1945 from this area, that is apart from grain fed to stock, was 12,000,000 bushels, and I doubt if there is another area in the province of Saskatchewan where the grain elevator, which is symbolic of western agriculture, is to be found 30, 40, yes, even 50 miles back from any railroad, and yet that is the case through the north-west corner of Saskatchewan. Alfalfa seed production is playing an important part in agriculture, today. I have no figures for the annual returns from alfalfa, but it has definitely raised the value of our greybush soil, so much so that I heard one farmer say he would not take \$50 an acre for his greybush soil in the north. The estimated livestock population in the 1941 census in Alberta, and an estimated population of livestock on the Saskatchewan side for 1945, stood at:

Horses	29,000
Cattle	46,000
Sheep	10,000
Hogs	76,000

Power farming is becoming a recognized method and becoming more and more extensive even down to our combines. It has been estimated, also, that the revenue derived from our natural resources fishing, trapping, lumbering, even exceeds, or did exceed in 1945, the returns from agriculture. In 1945, lumbering was expected to reach the total of 8,000,000 board feet, 235,000 ties, and a million pounds of fish to say nothing of the probabilities there are in the north of pulp and fuel wood.

This area lies partially within or bordering the pre-Cambrian shield known to be rich in a variety of minerals. At Loon Lake we

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have one of the richest ochre deposits in the province, an estimated 400,000 tons. The completion of the line would undoubtedly be a new gateway to our north country and a great incentive to development in the northern area.

The steady growth of population, the development of our natural resources, have greatly increased the imports throughout this area. Not only have they increased them so far as quantity is concerned but, with the passing of the early pioneer stage, there is a market for an ever-widening variety of goods, and I feel that the figures I have quoted, keeping in mind the fact that these people have only one main transportation, the truck, it should be an indication to us of the handicap that the farmers and business men of the north work under. However, to those in the western portion of this area there is one added disadvantage and that is the back haul from Pierceland, or Beaver Crossing west to Edmonton. All freight, all passenger traffic by rail must first — that is going east — must first travel an added 200 miles west making in all, 400 added miles for anyone going by rail to Winnipeg or shipping anything from Beaver Crossing to Winnipeg. May I add that such a loss of time in the transportation of fish from as heavy a fish producing area as Cold Lake, Primrose Lake and Piercelake is a real factor. It is estimated that the back-haul from Beaver Crossing costs the residents of that area an extra 10 per cent on imports and 5 to 6 cents per bushel extra on grain exports. The completion of this road would not only reduce the overhead of costs to farming and business men in this area, but it would make possible a through train service over a more northerly route from east to west.

I do see one 'fly in the ointment', Mr. Speaker. If this project was completed the C.N.R. would be faced with the problem of finding the hon. member for North Battleford another more becoming run for his well-earned position. I am sorry my colleague for North Battleford is not in his seat.

I have no wish to worry the House with figures but I feel the need and justice of this request is being established and the completion of this line long overdue. I do earnestly solicit the unanimous support of this Legislature in assisting the people of this remote area to procure transportation facilities that the Federal Minister of Transport considers "their just due".

I wish to move, seconded by the hon. member for Shellbrook, that the Provincial Government make representations on behalf of this Assembly to the C.N.R. requesting extension of the St. Walburg branch to connect



present ends of steel at St. Walburg, Saskatchewan and Beaver Crossing, Alberta.

**Mr. H.L. Howell (Meadow Lake):** — I should like for a few moments to associate myself with the remarks of the hon. member for Turtleford. The area which he has described as in need of a railway is an area of fertile land, an area that is, generally speaking, very well settled, and an area in which considerable money has already been spent for the building of bridges and survey and in some areas a railway grade that was built some years ago. It is an area which is 80 to 100 miles at some points, at the present time, from railhead and an area in which people have waited nearly 20 years for railroad construction.

It is generally believed in the community in which I live that, when the C.N.R. moved north from St. Walburg through Loon Lake, Goodsoil, Pierceland and on to Beaver Crossing, the C.P.R. would then move in a westerly direction from Meadow Lake to connect somewhere between Meadow Lake and Goodsoil; from that point westward we would have a joint C.P.R. and C.N.R. line through to Edmonton. As a result of that construction, which I believe will come some day — and I hope that for the benefit of everyone in the north western part of Saskatchewan it comes soon — the result would be that all points, at least in the Meadow Lake constituency now on either a C.N.R. or a C.P.R. line, would be on a direct line between Prince Albert and Edmonton and, as a consequence, I believe all hon. members will realize that such a development, such a railroad construction, would be an incentive to greater economic development in the north-west corner of Saskatchewan.

For these reasons, Mr. Speaker, I am very pleased to support the Motion.

**Hon. J.L. Phelps (Minister of Natural Resources):** — Mr. Speaker, in rising to support the Resolution before the House I want to compliment the hon. members for bringing a very important matter to the attention of this House. I sometimes think some of the members who represent southern constituencies are prone to not disregard but to be not too well posted on some of the acute problems that affect the northern part of our province, and I might say I certainly was struck by the situation that has been created and brought to the attention of this House in the form of this Resolution when I visited that area, last fall, for the first time in my life. I visit most parts of the Province of Saskatchewan but that part I have been wanting to get into for some time, and I wonder how many people of this House have

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ever seen miles and miles of railroad grade on which public moneys have been spent, and it was all ready for the rails in most sections of that area, and still stands there with willows growing over the grade. Mr. Speaker, it is a very disheartening sight, to say the least, to think that all that money has been spent and a railroad so badly needed in that particular area, but, due to conflicting interests and manipulations, the completion of it has been delayed.

The importance of transportation in Saskatchewan is well known to this House and particularly in the northern areas; that is also true of the area to which the hon. member has referred. As I say I think it is a credit to the members in that area that they are bringing this to the attention of the House. It is to be regretted that formerly that area was represented by a Cabinet Minister in the former Government and, to my knowledge, in that position he never brought that matter to the attention of the House. More of that pressure may be brought to bear to speed up the completion of that particular undertaking.

I want to say also that many people start things but I am hoping the member for Turtleford will be one of those who will see that things are finished as he has done with certain other undertakings in that part of the Province. I refer to telephones and various other matters that with the co-operation of the members of this Government during his time have been completed.

When I was up there they were telling me about an incident where one of the former members was holding a meeting in that area, and explaining the railroad, and started out by saying: "What are the facts about the railroad"? And one of the people who lived in that community for many years said: "The main fact is there is no railroad". That, Mr. Speaker, is something that should be brought very forcibly to this House. Although moneys have been spent and the majority of it, the grade is there, and in some cases where the ties are there they have rotted in piles.

I want now to bring to this House — and there is nothing like using a picture — I just wonder if the hon. members would like to see a map of this particular section. Here is the area in question: no railroad in that area, and it is very important to that section of the country that that railroad be completed at an early date. It would also serve a double purpose if this link from Bonnyville across to where the railroad is completed and one more link where the road turns south to Meadow Lake will give almost a direct line from the north-west section right down through, over existing lines, into the

city of Prince Albert. There was, yesterday, in this City, the annual meeting of the 'On To the Bay Association', the Hudson Bay Route Association, and I do draw to the attention of hon. members who are interested in the utilization of this route (and they will readily recognize) what it would mean to this great area here if goods could be fed down it over the existing routes into railroads that will in turn go to the Hudson Bay. Till these links are completed what we are actually doing right today or have been doing the past few weeks — fish coming out of the lakes here, loaded at Bonnyville, then you see although the commodities want to go east, in order to get out of that country, you have to pay a freight rate going west. Especially in the case of fish, where you are handling a commodity that has to be kept under refrigeration, extra transportation means delay, and it is very difficult under those conditions, and it is very important we have a railroad coming straight out so that the commodities — referring to a perishable commodity — could move in the direction they wanted right on to the market and would save a considerable amount of time.

Again I say, it is regrettable that public moneys have been spent in the past and this project has not been completed, and I feel sure every hon. member of this House will give this Motion their whole-hearted support, not only just vote for it, but continue to press for it with the end in mind of having that much-needed railroad completed and the steel laid there so the traffic can proceed.

I shall support the Motion.

The Motion was agreed to unanimously.

#### **Exchange Conservation Measures.**

**Mr. D.S. Valleau (A.S.V.R.):** — Mr. Speaker, I intend to move the following Motion:

“That this Assembly views with grave concern the various steps taken by the Government of Canada under emergency exchange conservation measures which have led to certain restrictions being placed on imports from Britain and other countries of the Sterling area”.

In moving this I would like to say a few words in support of the Motion.

It is my opinion that the fiscal and trade policies which the Federal Government has embarked upon during the past year, contain certain principles of very great importance, principles which may be the deciding factor, for good or ill, to change the whole future

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of Canada. I am very concerned about the direction which this economic future may take. I would almost say that those who planned this new direction for Canada's economic policy had hoped to hush it up, as far as possible to conceal it from the view of the Canadian people. It represents the cornerstone of present day Liberal policy, yet Liberal speakers in the country and even in this House hardly ever mention it. Part of this policy is Canada's so-called 'austerity program', a program designed to save American dollars and yet in Britain an austerity program similar to this would be regarded by the British people as great prosperity rather than austerity. Part of the economic program of Canada consists of what has been called the Geneva Agreements and the policy represented by them. The measures for saving American dollars have been kept out of the 'limelight' so well the general public has hardly heard of them. Many prices have gone up as a result of this program; but many people have the idea prices would have gone up anyway and they have not entirely blamed the fiscal policy of the Dominion for this, although, fundamentally, this is one of the causes for the increase in prices. The other day in a grocery store, I overheard a lady says "Is it not strange that you cannot get lettuce and tomatoes anymore," and he replied it was, neither knowing these particular vegetables were among those which are banned from the United States in order to save American exchange.

The measures to bring about these restrictions were put into force by Ottawa, last fall, by Order in Council. They included quotas on importation of goods, direct banning of certain types of imports, and allowed the importation of other goods on a permit system. The program also included excise taxes on many of these goods which were produced in Canada. The purpose of this program seems to be to bring about a reduction of American imports while maintaining American exports at as high a level as possible — that is our exports to the States — at the same time making sure the proportionate amount of trade that Canada carries on with other countries in the world remains the same. This means that, if we reduced imports from the States by a certain proportion, we have to reduce imports by other countries in the same proportion, and this is the principle of so-called non-discrimination which we have heard so much about.

Here is how it works: we do not have U.S. dollars because the United States does not buy enough of our goods to supply us with these dollars. Since they require us to pay U.S. dollars for imports we get from the States, and since we are running short of these dollars, we

have had to restrict our imports from the States; but in order to prove we are playing no favourites, we are also restricting imports from Great Britain and other countries of the Commonwealth and the Sterling area in exactly the same manner we restrict them from the United States. This again is the principle of non-discrimination. There is no reason why we should have to restrict imports from Great Britain. Great Britain takes large quantities of Canadian exports of wheat and food stuffs. The only way she can pay for them is by either borrowing money from us or by exporting goods to us. Because she did not have Canadian dollars to pay, she has had to eliminate such agreements as The Meat Agreement to a 90-day period. It is downright silly to restrict imports from our best customer and thereby cut off part of our own export market. As an example, the hot-house lettuce and tomatoes which are referred to earlier, vegetables which disappeared from our stores this winter, could have been secured from the British West Indies and would have helped to supply these countries, which deal in pounds, shillings and pence with Canadian dollars, and they could have used the Canadian dollars to buy our wheat and bacon and beef.

I note with particular approval the Federated Co-ops propose, to handle the importation of British automobiles. I have here the Co-operative Consumer for February 28, 1948 and the headline says, Co-ops to sell British Cars; Morris, Wolseley and Riley To Be Available To Co-ops. Federated Co-ops secures sub-distribution — cars, trucks, marine engines, to be handled — expect 1000 units in 1948.” This is a policy which will bring imports into Canada and at the same time assist Great Britain in obtaining Canadian dollars to buy the things we produce in western Canada, but, unfortunately, this splendid policy of the Co-ops has to operate within the policy now adopted at Ottawa which says: “Whatever restrictions apply against American imports must also be applied against British”. I note also with approval the Saskatchewan Government maintained the trade commissioner in London for the purpose of encouraging imports from Britain to Saskatchewan. Steps such as these will help bring us the things we need and, at the same time supply Britain with the dollars she needs to buy our wheat, our bacon, our beef and other agricultural products.

For a long time farmers of Saskatchewan have believed Great Britain was our best customer. It was with a feeling of terrific shock that I read in Hansard a statement made by Mr. Abbott when he said this was not so. That may be true for some of the provinces in eastern Canada,

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but certainly for Saskatchewan, which depends upon a market for our agricultural produce, it will never be correct to say that Britain is not our best customer. The so-called principle of non-discrimination means that the restrictions placed upon importation of American cars are also placed upon the importation of British cars. The hope is that, after this temporary shortage of American dollars is past, the proportion of imports which Canada gets from the States and Britain will be the same as it was before we ran short of American dollars; that is, we are still proceeding on the assumption that the economic crisis is temporary, possibly brought about by the war or something unusual like that, when, as a matter of fact, the economic crisis represents a new economic design in the world and requires drastic now measures to meet it. The principle that has been adopted in Canada amounts to protection — the old protection we heard so much about in the '30's — a protection of the most drastic type put into effect by the so-called 'free trade' Liberal party; but it is not protection to the people of Canada, nor to the farmers of Canada and not even protection to the people of Britain. It is protection, of the most glaring type of protection, to the interests of the American manufacturer who exports to Canada. We are saying in effect to him his market is going to be restricted for the time being, but after the crisis is over there is no danger of the British having his market from him; it will be waiting here for him to take over again.

The Ottawa Government has had to choose between building up trade with Britain or following the economic policy of the United States. They have chosen to follow the States. It is a principle of common sense economics that we cannot expect our goods to be exported to Britain unless we take imports in exchange. The Federal Government says it wishes to take these imports from the United States and get American dollars from Great Britain in exchange for our exports to Britain as we did before the war; but Britain herself is short of American dollars because the United States will not take imports from Britain in great enough quantities to supply Britain with the necessary U.S. dollars to pay for them; and Britain has no means of buying in the 'dollar' countries except by exporting goods to pay for them. The American policy is not designed to assist Britain in exporting goods.

When I was in London during the war, I could not help notice a particular bitterness felt by all sections of the British press at the effect of the joint military policy of Britain and the States in

aircraft production. This policy had decreed that Britain would build fighter and bomber aircraft — the expendable type — the States would concentrate on transport aircraft. When the war ended — these papers said — this would result in the United States having a near monopoly on world airlines after the war. Britain, in the front line, had no choice; she had to concentrate on building military aircraft. But these papers were quite right. The situation which they feared could be multiplied many times in air transport, in merchant shipping, in overseas bases for trade. The United States, at the end of the war, was in a position to become the world's treasurer, a position formerly held by Great Britain. Today the United States has replaced Britain as the world's greatest exporting nation, and the important feature and the feature which is causing so much dislocation, is that she has not followed Britain's great policy of also becoming the world greatest importing nation.

For 50 years Britain was a nation of free trade and became the world's banker as well as the world's trader. North America is not yet mature enough in economic understanding to assume this important role, and the result is that the North American countries, which today are attempting to join their economies, and the countries which have become the greatest exporting nations of the world have dislocated world trade. We have done this because we have not adopted a determined policy to increase imports to North America. If Canada were to adopt a policy of increasing imports from Britain to bring British goods to North America and North American goods to Britain, we would be doing a tremendous service to ourselves and also to the United States. I, Sir, cannot see any reason why objections should be raised either in Canada or the United States to a policy such as this which would help to restore world trade.

North American trade with the world cannot continue unless we import British goods, and the States is not yet prepared to do this on the vast scale necessary. Canada can do her share by encouraging British imports now. We can do it by removing our present restrictions against British imports.

I am sure that my friends who sit to my right in the Liberal party of Saskatchewan will support the idea of Canada taking this action, an action which might encourage the U.S. to take a similar action and encourage all North America to adopt an importing policy. I am sure of this because, back in 1933, they were trying to urge Saskatchewan to, in turn, urge such a policy on Ottawa and today it would be a parallel case if Canada were to urge such a policy on

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Washington.

I have here the Journals of the Assembly for February 14, 1933, and on that day a resolution was moved by Mr. R.J. Parker of Pelly, seconded by Mr. Jas. Hogan, a resolution which my friends supported then and am sure they would support today — although I am not moving that resolution over again, but their resolution at that time expressed the belief that international trade could best be carried out by importing goods in exchange for the goods exported, or as their resolution stated, “by barter”. It is interesting, that resolution moved away back in 1933. I would not dare go so far as to move a resolution of that kind in this House, today, but I would like to quote part of that Resolution.

“That in the opinion of this Assembly, the Dominion Government should extend every facility for promoting trade with a certain country”. The country was not Britain, the country was Russia.

The Resolution I am moving, today, is not like that Resolution. I am merely asking that the Dominion Government extend to our good friend and customer — Britain — the same arrangements as our Liberal friends wished to extend to Russia away back in 1933. I will not go as far as to say we should seek to obtain their objective of barter trade with Russia at this time. I think our first step should be to begin exchange trade and barter trade with Britain.

Mr. Speaker, I must confess I am deeply shocked to see how far, in other parts of Canada the “free-trade” Liberals have now travelled on the road to high protection. They have done it under the name of anti-discrimination principles and the Geneva Agreements.

When the CCF pointed out that the Geneva Agreements did not require this principle to be put into effect until 1949, and under certain conditions it did not have to be put into effect, many people wondered why we had adopted it. In the debate in the House of Commons, Mr. Abbott made a very revealing statement, he said he would have done it without the Geneva Agreements. Mr. Abbott said the principle of anti-discrimination was almost a sacred principle in the United States and, speaking for the Federal Government, said it was a sacred principle with them. I wonder how this can be when we see so clearly what they call anti-discrimination has resulted in discrimination and a very grievous type against our best customer — Great Britain. It makes me think, if Sir Wilfrid Laurier were alive today he would wonder what was happening. I can even imagine he might at this



moment be turning in his grave. Even Sir John A. Macdonald, his old enemy, would hasten to dis-avow protection of the type which is being fostered by Canada in fiscal policy today because Sir John A. Macdonald was the man who said, "A British subject I was born, a British subject I will die". I am not arguing we should not have all economic relations possible with our good neighbour to the south. I would not even argue we should not to a certain extent integrate the economies of North America; but I do say it is tragic for North America to insulate herself from the rest of the world, to try and become an island — an economic island — by itself, and I am afraid that if we try to draw around us a 'golden curtain' and allow nothing to come in or allow our dollars to go out to the people who need our exchange, the results may become disastrous. We have complained about the 'iron curtain', and I fear it; but also I fear a 'golden curtain' which may destroy hope for future world trade. The very wheat agreements which have been announced in the last few days — all the nations that have agreed to accept wheat are given an amount of it over a number of years and will find, if they cannot export goods to North America and to Australia to pay for that wheat, when the credits of the Marshall Plan run out, there will no longer be a market for our wheat.

I move, seconded by Mr. Brown (Bengough): That this Assembly views with grave concern the various steps taken by the Government of Canada under emergency exchange conservation measures which have led to certain restrictions being placed on imports from Britain and other countries of the Sterling area.

**Mr. A.L.S. Brown (Bengough):** — In rising to second this Motion and to support it, I feel that possibly we should attempt to arrive at some grounds on which we can all agree. I think it is too much to expect to agree with all of the fiscal policies of the Federal Government, but, I think we can agree that the people of Canada should view with concern, and considerable alarm, the fact that in a country which is as potentially rich as Canada that we should be required to go on an austerity program.

This is particularly true when we think Canada is one of the few countries which escaped the ravages of the war, that we have here a country that is still wealthy, a country that has in the past and no doubt in the future, will produce more per capita than possibly any other country in the world. This austerity program which has been forced upon the people of Canada is due, to a large extent, to the fiscal policies of the Federal Government — a fiscal policy which has resulted in a necessity of barring to a certain extent at least, imports from the exporting countries of the world. These countries

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include the United States as well as those in the Sterling area, and I feel it is because we did not view with sufficient alarm those conditions which faced us in the '20's which lead us into the "Hungry '30's". It is entirely possible that unless we are prepared at the present time to take some concrete and direct action, we will once again be going into a period similar to the "Hungry '30's", when we had unemployment and a low standard of living common across the whole Dominion of Canada.

I also suggest, Mr. Speaker, that we cannot lay our finger on the cause of this if we just look into the immediate past. I feel quite satisfied that the condition we find ourselves in, today, is due to factors which have developed over the past number of years, factors which we have been unaware of to a large extent and factors which we felt did not directly affect our economy and, as such, our standards of living. I believe that, if I enlarge, the fact that we are now required to restrict imports was due to the fiscal policy of not only this Government but of the previous Government in the Federal field at least.

One of the basic laws of economics which I was taught was that our economy depends to a large extent on the law of supply and demand. A few years ago if we asked any economic professor a question we immediately got the answer — the law of supply and demand. Here we have a situation where in Canada we certainly have the supply and I can assure you we have the demand particularly here in western Canada, and yet our economy has fallen down to the extent that we in Canada are compelled to suffer because of the fiscal policy which I suggest, is directed not primarily by the Federal Government but is directed by Wall Street and their associates.

We have always been told that the welfare of Canada depends upon our ability to export, and our ability to export just that much more than we import. How anyone can rationalize that statement is more than I can understand, but nevertheless we have attempted to run our economy on that basis. Here we have a situation where we are prepared to export and we are prepared to import, and I suggest it is possible for us to continue importing from the Sterling area on a larger extent than we have in the past and at the same time not jeopardize our dollar conservation program here in Canada. I suggest, Mr. Speaker, that I am not alone in my belief along that line, that Mr. Abbott, Federal Minister of Finance has suggested a similar theory and a similar thought, and on page 1165, Hansard, Thursdays February 12, he

makes this statement in dealing with the Foreign Conservation Act: "The position is simply this, that the net deficit is financed partly out of credit and partly in cash. If the United Kingdom increases its exports of textiles, for instance, to Canada, it is just the same as United States dollars, or gold, of course". By that I suggest that, by increasing our imports from Great Britain, we will not only be saving American dollars but increasing them here in the Dominion of Canada. This Exchange Conservation Act has — in my opinion — two reasons in being considered by the Federal house. The first as I mentioned was to conserve American dollars and the second — and possibly just as important — was an attempt to get our exchange in line with the Geneva Agreement. But I suggest, and the Mover has pointed out, that they have leaned backwards in an attempt to fulfil the commitments of non-discrimination entered into under the Geneva Agreement to the detriment of the Canadian people. I also suggest, Mr. Speaker, it is possible for us to conduct our trade with the Sterling area on a commodity exchange basis. I feel this is the only sound, safe method on which we can be prepared to conduct trade with any nation and particularly with those in the Sterling area. I feel that before we can accomplish this, that while we can view with grave concern those steps that have been taken, we must be prepared to go even further than the Federal Government of today is prepared to go.

To complete a true commodity exchange basis we will have a necessity of putting into effect, and operation, marketing boards, so it will be possible for us as Canadian people, to place our products upon the markets of the world rather than through private trade channels which apparently — and I say apparently — has been used to the detriment of the people of Canada.

In conclusion, I wish to suggest that not only must we be prepared to go further in our extent of marketing, but, in our internal economy that we must be prepared to take grave steps, steps I am afraid, our Federal Government of today is not prepared to take. It may require that we buy back Canada for Canadians and pay for it for the last time. I suggest, as long as our economy here in Canada is dominated and to a large extent controlled by Wall Street and its associates, we will always have conditions such as they are today, that our foreign policy will not be formulated by Canadian people, in the interests of Canadian people, but rather that it will be formulated by Wall Street in the interests of the financial controls of today.

Mr. Danielson adjourned the debate.

## Freshwater Fish Board

(Federal)

**Mr. L. Lee (Cumberland):** — Mr. Speaker, in rising to move this Resolution I would like to say a few words about the importance of the fishing industry in this Province. It ranks fifth in importance as an industry, and it means a livelihood to about 2,000 people in the north or, at least, about 80 percent of their living is derived from the fishing industry.

There are approximately 10,000,000 pounds of fish harvested a year, worth around \$1,000,000. We have more than 42 different species, in these various lakes, and many of the lakes as yet are not fished. In the north country we have some very large lakes, Athabasca being the largest, 3,058 square miles. We have several other lakes that are also large including Lac la Ronge, Beaver, Wollaston and several others. There are about 160 lakes that are, or have been, fished in the province.

In 1944, the Federal Government passed the white fish inspection regulations. These regulations stated that we had to grade our lakes in two grades, "A" and "B". The reason for this grading was brought on by the fact that the United States had protested that some of the fish being imported were not up to par. As a result of those protests the Federal Government passed this white fish inspection regulation. That forced the provinces to go out, test their lakes and classify them in the two grades. The tests that were taken of these lakes had to be sent to Winnipeg and the Federal authorities had inspectors there that made the tests and sent back the reports, so the provinces had nothing to say about the grade they received. As a result of those tests a large number of Saskatchewan lakes were classed in the "B" lake class and the fish could not be exported out of the Province without first being processed in a filleting plant. That was the reason for this Government to immediately start on a program of setting up two fish filleting fish plants — three I should say, one mobile. The fact that the fish off the "B" lakes had to be processed added to the cost of the fish and also diminished the price the fishermen received for his fish. Before these lakes were classified the fish off them was exported on a par with the "A" lake fish, and as a result of that in many cases they got as good a price for the "B" lake fish as they did for those taken off the "A" lakes. We approved of this Act. It should have been done before, but at the same time, it had a tendency to lower the price of the fish on these "B" lakes.

There is another thing that enters into the picture since the

termination of the war. During the war years salt water fishing was curtailed in a great many places on account of the war activities, submarines and so forth, but the salt water fishing is now getting back in full swing and naturally has a tendency to make it more difficult to market fresh water fish, especially when you have a long transportation rate to pay on these fish before they arrive at their market.

There is another thing I would like to mention. Some might ask why we are asking for a Dominion board when we already have a Provincial board. Well, I might say that the various provinces, with their more or less different regulations on their various lakes, conflict with one another as to the harvesting of these fish, and it tends to put a glut on the fish markets, across the line and in the main centres in Canada, therefore forcing the prices of fresh water fish down. This board — that is a Dominion Board set up — could, I think, stabilize these prices and put this fish on the market so as not to force a glut.

The Wheat Board, if it had been put on Provincially, would not have been of much use. The same thing applies to our Fish board. A province cannot do very much as far as stabilizing the market is concerned. That is the real purpose of this Resolution, to get a board or some regulations that have a tendency to guarantee the fisherman a certain price throughout the year so he could have something to depend on, in other words would know he would have a living. As it has been in the years gone by, many a time the fish market was fairly good when the fishermen went out on the lakes with their equipment and spent large sums in equipment, and after coming in with their catch found the market had dropped and in many cases did not receive enough for the fish to pay for the equipment.

Another thing a Dominion board could do is, as the board set up in Saskatchewan is trying to do, to get the people within the Province to eat more fish. In the past Saskatchewan has been very low as fish eaters go; in fact the average per capita has only been 4.8 pounds and the average for the whole of the Dominion 10.9, so that apparently the Saskatchewan people are eating less than half the average of the Dominion.

Another reason for that is the lack of refrigeration in Saskatchewan, and fish is a commodity that has to be kept frozen. So with that, Mr. Speaker, I move the following Resolution, seconded by Mr. Boyle:

“That this Assembly recommend that the Government urge upon the Federal Government the necessity of setting up a board for the marketing of freshwater fish and other fisheries’ products,

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in order that the people dependent on fresh water fishing may improve their standard of living, and express its willingness to co-operate with the Federal Government in the establishment of such a Board”.

The Motion was agreed to unanimously.

### **SECOND READINGS:**

#### **Bill No. 99 — An Act to provide for the Termination of Certain Agreements to Consolidate Taxes.**

**Hon. J.L. Brockelbank (Minister of Municipal Affairs):** — Mr. Speaker, this Bill is to terminate the old tax consolidation agreements which were made under the Tax Consolidation Act of 1933 and 1934. These agreements were in no case for a longer period than six years and should have come to a natural end in 1940 at the latest. There are still a few of them outstanding agreements. In those cases where the municipality is the holder of the tax sales certificate, the municipality then has the right, if it wishes, to terminate the agreement and restore the taxes to the roll. In cases where the municipality does not hold the tax sale certificate they cannot do this, and this Bill is to empower the municipality to terminate those agreements and restore those old taxes to the roll in the usual way.

I move second reading of the Bill.

(Agreed).

#### **Bill No. 100 — An Act to amend The Department of Municipal Affairs Act.**

**Hon. Mr. Brockelbank:** — Mr. Speaker, when I spoke in the House in regard to The Assessment Commission Act I pointed out that certain parts of the Act were being deleted. Those parts that are necessary are now, by this Bill, being put into the Department of Municipal Affairs Act, the provisions for the staff doing the valuating work — doing all of the assessment work, as a matter of fact, except that which is dealing with appeals. The commission is the appeal body, and now the Department will be the organization that carries on the other work.

I move Bill No. 100 now be read the second time.

(Agreed).

**Bill No. 101 — An Act to amend The City Act, 1947.**

**Hon. Mr. Brockelbank:** — This Act contains a number of detailed amendments and there are two or three I may mention. One is the provision for taxation of railway property which will mean to the cities a considerable increase in revenue. All of these amendments can be considered in Committee in further detail.

I move second reading of this Bill. (Agreed).

**Bill No. 102 — An Act to amend The Town Act, 1947.**

**Hon. Mr. Brockelbank:** — An Act to amend The Town Act is very similar to the Bill amending The City Act, and I do not think I need take the time of the House explaining it, as the same remarks might be made about it.

I move second reading of this Bill. (Agreed).

**Bill No. 103 — An Act to amend The Village Act, 1946.**

**Hon. Mr. Brockelbank:** — Mr. Speaker, Bill 103, Act to amend The Village Act is different from the two previous Bills but in many respects has a similarity and also contains a provision with regard to taxation of railway property.

I move second reading of this Bill. (Agreed).

**Bill No. 105 — An Act to amend The Local Improvement District Act, 1946.**

**Hon. Mr. Brockelbank:** — Mr. Speaker, the amendments to The Local Improvement District Act are in detail and need not be discussed on second reading.

I move second reading of Bill 105. (Agreed).

**Bill No. 106 — An Act to amend The Physical Fitness Act, 1944.**

**Hon. O.W. Valleau (Provincial Secretary):** — This is an Act amending The Physical Fitness Act to transfer administration from the Department of Public Health to the Department of Education.

On behalf of Mr. Douglas I move second reading of this Bill. (Agreed).

**Bill No. 107 — An Act to amend The Health Services Act, 1946.**

**Hon. Mr. Valleau:** — This Act provides largely for the setting up of the routine of administrative health regions, collection of taxes and so on and also control over what are known as health services associations which are associations of non-profit organizations setting out the form of reports to the Department and the control exercised by the Department.

On behalf of Hon. Mr. Douglas I move second reading of this Bill. (Agreed).

**Bill No. 108 — An Act to amend The Legislative Assembly Act.**

**Hon. Mr. Fines:** — I was asked about this the other day and have now learned this is to make provision for people of the age of 18 years and over to sit in the Legislature. Provision has already been made for them to vote; this makes it possible for them to take their seats in case of their election.

I move second reading of this Bill. (Agreed).

**Bill No. 95 — An Act to amend The Public Health Act.**

**Hon. Mr. Valleau:** — This Act to amend The Public Health Act consists of a number of minor amendments and changes in definitions; but the major provision seems to be that in health regions the regional board should be the board of health in place of setting up another board, and it is necessary to make certain changes there.

On behalf of the Hon. Mr. Douglas I move second reading, of this Bill. (Agreed).

**Bill No. 85 — An Act to provide for the Administration and Development of  
the Northern Part of Saskatchewan.**

**Mr. W.J. Patterson:** — With regard to the Minister moving the second reading I would like to move the adjournment. I only got a copy of the Bill about half an hour ago. It is marked "printed," but was not on my files and as it is a rather important Bill — it does not matter to me which action is followed — but it might be advisable to leave the second reading until later.



**Hon. J.L. Phelps:** — In rising to move the second reading I am quite agreeable with the Leader of the Opposition to have him adjourn it, if he wants further time to consider it. However, I want to inform the House I think it looks more formidable than it actually is. It is quite true that this is a large Act, but if you go over it you will find out that about 95 percent of it — maybe more — is copied from the Northern Administration Act, that is the L.I.D. Act. In fact when we get into committee I shall suggest that except where it is new that we might take it as read, because it simply follows and provides the machinery in the north country to administer the affairs of local self-government there. And in matters of looking after various governmental functions there is very little new. At one time we thought maybe we could do it under the existing Act, but there was some confliction in administration, and there were a few amendments that were required in this particular one. As I said before, about 95 percent, and I have an Act here which shows what clauses are new, and I think there are only 11 clauses that have any changes whatsoever. And the new clauses, so amended, are the former Municipal Act, and there is no new principle involved here. It is something that is accepted and is simply providing the machinery for local self-government in the north.

I move second reading of this Bill.

**Mr. Speaker:** — I think the House is aware of the fact that the Bill has not been on the desks for the 24 hours. As I understand that is the opposition the Leader of the Opposition is putting up, therefore it cannot be read the second time.

**Mr. Patterson:** — I did not suggest, Mr. Speaker, the Bill had not been distributed the required 24 hours. I said, when I came down and checked over the Order Paper I found there was no copy of the Bill on my desk. It may have been distributed generally, but I am not going to enter into any discussion. The Government has agreed to allow the adjournment of the Debate, and I so move it.

Mr. Patterson adjourned the Debate.

The House adjourned, without question put, at 11 o'clock p.m.