

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Eleventh Legislature
37th Day

Thursday, April 6, 1950.

The House met at 3 o'clock p.m.

ON ORDERS OF THE DAY

Hon. J.H. Brockelbank (Minister of Natural Resources): – I want you to know that I come bearing gifts of different kinds, today, on behalf of the Department of Natural Resources. First I want to mention the ashtrays which I think the members have found on their desks. I believe the Cabinet Ministers haven't been privileged to get one now, but we will see if we cannot get one for them afterwards. These ashtrays were made from Saskatchewan clay, right in our laboratory here at Regina. The expert, the artist, on this work is Mr. Peet Arella, who came from overseas, from one of the European countries, just about a year ago now. He has been doing a good deal of research work in our clays and also practical work in putting the clay to use. I am sure that the members will appreciate having these mementoes of the province of Saskatchewan.

PRIVILEGE MOTION

Speaker's Ruling

Mr. Speaker: – I shall now give my deferred ruling on the admissibility without notice of the motion of the Hon. Mr. Brockelbank on his claimed breach of privilege. If you desire to have the references quoted, I shall do so. Practically every reference that I can find makes it almost mandatory that a resolution must be offered at the time that the question of privilege is brought up. Would you like to have the references quoted? Take May 14th Edition, page 134, 136, 140; take Beauchesne, 3rd edition, 1943, on page 200, clause 550. The only thing here is that the committee on a matter of privilege may be appointed and nominated forthwith without notice, such a committee having been held not to be governed by any of the orders applicable to the appointment and nominations of other select committees; and all the others in May point out that it is practically mandatory that a motion should go with the claim of privilege. Are you satisfied that I don't quote them?

Mr. W.A. Tucker (Leader of the Opposition): – Yes, Mr. Speaker, I appreciate your looking into it. I satisfied myself, too, that this is a motion to be made without notice.

Mr. Speaker: – So the motion is now before the House.

Hon. Mr. Brockelbank: – Mr. Speaker, might I say a word or two on this question. Since I took this question up, yesterday, I have had considerable discussion with representatives of the press, and have had time to look into the reports very carefully and also the transcript of the proceedings, last Thursday. I find that the press was taking the reports by turns

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that evening, and one reporter took the Leader of the Opposition and another reporter (they changed off, as is the common practice) came in to take me. I don't know whether they took us both or not, but anyway, the result was that certain pertinent questions to which I objected were not connected with the answers, and in some cases no answer given at all. In other cases the answer was there, but not connected to the first part of the press report; and we all know that many people read the first part of the press report and very often do not follow through to the further pages to read the rest of it.

I am convinced that there was just cause for bringing this point up, and I think that is generally admitted by all people concerned; but I am also convinced that the press report to which objection was taken appeared in that form absolutely without malice and as an involuntary error, if you wish to call it that, of the reporting. In view of those circumstances and the fact that we are well advanced in the Session, I have considered the matter of withdrawal of the motion of asking the House the privilege of withdrawing the motion.

I would like to point out, also, that, in a case of this kind, questions to which reference was made by me were very brief. It is true that they were surrounded by many other words, but the questions themselves were very brief and in most cases the answers were of necessity somewhat long and came out later in the discussion. Whether or not that is any excuse is a matter of opinion; but I would make this clear that no matter what may have been the cause of a report which undoubtedly led people to question the things that I think no Legislature can tolerate without taking some notice of them. But, under all the circumstances, as I have stated, I am willing to ask the House that the motion be withdrawn.

Mr. Speaker: – Does the House agree that the hon. minister be allowed to withdraw this motion? . . . The motion is withdrawn.

OBJECTION TO PRESS STATEMENT

Hon. T.C. Douglas (Premier): – There are certain matters of privilege that affect the whole House, Mr. Speaker, and I refer to the editorial in this morning's 'Leader-Post'. I don't think members of this side of the House are particularly sensitive of criticism, but I do think we should stay somewhere close to the facts – and this does affect the conduct of the business of the House. I need not read it all. The editorial is entitled "Haste makes Waste" and refers to the legislation coming in in large quantities at the end of the Session, and says:

"That being the case, why was the Government not giving the adequate and satisfactory explanations requested by the Opposition? If these are Mr. Douglas' views, why was the House asked to consider Bills which had been printed, and at least one Bill which was available only in limited quantity in typewritten form."

I cannot recall, Mr. Speaker, any Bill that was not available and one which was circulated in typewritten form. Now, it is true that the copy of The Corrections Act was sent to the Opposition in typewritten form, but

it was not proceeded with until at least three days after that, when it was in printed form and had been on the members' desks for more than 48 hours, I haven't been able to find anything in which it could be said that the Bills were not printed. I don't know of a single instance, this year.

As the hon. members know, the rules of the House say that no Bill can be given second reading unless it is printed and is marked "PRINTED" on the Orders of the day. Only by unanimous consent of the House can second reading be given without it being printed. I don't know of a single instance, this year, in which the members of the House have been asked for permission to proceed with a piece of legislation, without it being printed. In every case where second reading was granted, the Bill had already been printed and on the members' desks for at least 24 hours.

Now, the Regina 'Leader-Post' or any other paper, has a perfect right to criticize us for bringing legislation in any particular order, but I don't think any newspaper has a right to make a statement which is not in accordance with the facts. And the facts, as far as I have been able to ascertain them are that no Bill has been proceeded with without first being printed, and there was not a single instance in which a bill had to be circulated in typewritten form prior to being debated.

I refer now to the second part of next paragraph which says:

"On Monday of this week, after the House had sat for 33 days, there still were 34 bills in Committee of the Whole, and 12 Government measures awaiting second reading, consideration in Committee of the Whole and third and final reading. Also many estimates for the new fiscal year still await consideration."

Let me point out, Mr. Speaker, that many of those Bills in committee have been there for several weeks, and the fact that some of them are in committee is because they have been given very thorough consideration by the House and because the Opposition, and sometimes portions of the Government, have recommended changes. The Ministers have left them in committee in order that we might consider House amendments, in order that Bills might be brought more into conformity with what the suggestions of the members have been. The fact that they have been left in committee is not an indication that we have neglected them; it is an indication of the fact that we are giving very careful consideration to them. I do think it is a matter affecting the privileges of this House, and I do want to take exception to mis-statements being made with reference to the conduct of the House. I think the people who write these editorials could very easily ascertain the true facts if they wish to do so.

Mr. R.A. Walker (Hanley): – Mr. Speaker, before the Orders of the Day are proceeded with I would like to draw attention to a reference "On the Banks of the Wascana" in the same edition of the 'Leader-Post'. The reference is, that when a verbal vote was taken, "mixed in with the approving 'Ayes' from both sides of the House there was a large and belligerent 'No' from the general direction of Mr. Walker's desk." Mr. Speaker, I don't apologize for the position I took, but I think the report was misleading as I heard several "Noes" from this side of the House.

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Mr. Tucker: – Mr. Speaker, this is a very interesting debate that the Government is carrying on with the ‘Leader-Post’. They apparently aren’t quite as busy as the members on this side of the House – I don’t know about the other members – but, as far as I am concerned, we hadn’t got around to reading the editorial in the ‘Leader-Post’, this morning. I have been very much struck, Mr. Speaker, about the assiduous way in which the members of the Government must read the ‘Leader-Post’, because they are repeatedly bringing up arguments that they have read in the ‘Leader-Post’, which I had not read at all and, of course, it must be regarded by the ‘Leader-Post’ as a great compliment to that newspaper the way the Government so carefully reads every work in that newspaper.

Hon. C.M. Fines (Provincial Treasurer): – Doesn’t he think the members are entitled to some entertainment while we are working so hard?

Mr. Tucker: – I judge from the anguished outcry from the Government in their debate that the ‘Leader-Post’ was regarded as entertainment by them. Now in regard to this typewritten bill I must pay a compliment to the Leader-Post. How in the world they found out about that, I don’t know. All I can say in that regard is that we, in order to expedite the work of the Session, agreed to give second reading to a Bill of the Minister of Social Welfare, our very good friend. It was not yet printed and he had it in typewritten form and the suggestion was that it would expedite the work in some way or another if he could get that second reading of the Bill, although it was not yet printed. We, always anxious to oblige, particularly the Minister of Social Welfare, agreed to the second reading. Now, it is perfectly true that it was not necessary for him to avail himself of that because, for some reason or another, (the reason escapes me at the moment), when it did finally come on for second reading it was printed.

Premier Douglas: – Because it was put off for two days further. We put it off for two days.

Mr. Tucker: – It was put off for some reason, I don’t remember the reason, but actually we had agreed to it being given second reading without having it printed. Now, as I say, how in the world the press found out about that I don’t know. It is just one of those things that does happen; and I think that it was an indication of co-operation on our part and I don’t think there is anybody needs to think it very much amiss.

In regard to the work of the Legislature, I did regret that some of these important Bills, such as the Bill in regard to Fire Fighters and compulsory arbitration, which might have far-reaching consequences, and particularly the Labour Bills which involve important matters of principle, were not brought in fairly early in the Session so that we could have time to consider all the implications and also get some expression of opinion in regard to them. I do urge the Government that, in future, any Bill that involves some real question of principle be brought in early and put on the Order Paper so that we do have a chance. That particular Bill, it is quite true, has now been on the Order Paper for, I suppose, about 10 days; but at the time I spoke we were very busy, sitting in the mornings on committees, starting at 10, and sitting in the House here until 11 o’clock at night, and when bills were descending on us in great numbers, Mr. Speaker, I found it very difficult to keep up with absolutely essential correspondence, attend the

committee meetings, attend the sitting of this House and consult with people about some of these important Bills. My feeling was that the important Bills like the Rural Electrification Bill, the Apprenticeship Bill, the Fire Fighters Bill, even this Bill on Correction which is a very important matter, Mr. Speaker, the Government should have had their programme ready on these important matters and got those Bills on the Order Paper early in the Session so that we would have time to take the opinion of people throughout the country, whose opinion on those Bills we would like to have – for example of labour bodies about the labour Bills and so on. I did feel that the Government should have had that legislation on the Order Paper sooner, and I did give expression to my honest opinion in that regard.

I know that the members of the Government are busy, too, trying to take the opinion of their members in regard to some of these Bills, and I suppose they are very busy, otherwise; but I do urge the Government to make a real effort to get important Bills on the Order Paper early in the Session so that we can study them and get the reaction of the country to some of them. Now in regard to the Municipal Bills, I appreciate the attitude of the Minister of Municipal Affairs on those Bills. He put them on the Order Paper. We asked that they be deferred until we could get the opinion of the municipal men; the Municipal Affairs Minister agreed to it, and we appreciate that. I would urge the same attitude as far as possible be taken in regard to all legislation that effects any important change in principle.

I am in difficulty with regard to dealing with this matter, Mr. Speaker, because I have not read the editorial in question and I can only base my talk on what the Premier said about it.

Premier Douglas: – Mr. Speaker, I appreciate what the Leader of the Opposition says. I have no quarrel at all with his expression of opinion as to whether or not legislation could come in earlier and I agree with him that, if possible, it should come in as early as it is possible under the circumstances. I merely rose from the purpose of drawing his attention to the fact that I think I am right when I say that no piece of legislation has passed through second reading, this year, without being printed and without having been on the members' desks for at least 24 hours.

Mr. Tucker: – I have not read the editorial and I do not know what is in it, Mr. Speaker.

Hon. J.H. Sturdy (Minister of Social Welfare): – Mr. Speaker, it is true that the Correction Bill was given out to the hon. member for Gravelbourg (Mr. Culliton), three days before it was read, and then it was printed and the second reading was after it had been on the members' desks for a period of 48 hours. The hon. Leader of the Opposition expresses mysticism as to how it might have got to the 'Leader-Post'. We, on this side of the House, have observed the loving overtures of the hon. member from Gravelbourg to the Press gallery, and it constitutes no mystery as far as we are concerned on this side of the House. It reminds me of the balcony scene from Romeo and Juliet.

Mr. E.M. Culliton (Gravelbourg): – I do not know just what the hon. member means. I was not in communication with the Press gallery or any member of the Press gallery respecting this Bill. I thought I was being very courteous to the hon. Minister when he asked for leave

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to move second reading of this Bill the next day before it was printed. He was kind enough to bring over a copy. We fully expected that he would give it second reading next day. He was very anxious to make a radio speech at that time covering that particular item, and I do not know why he did not go ahead with this radio speech that day. Now, as far as the Press is concerned, I have a high regard for the Press. I have associated with members of the Press and have been glad to do that; but as far as being a source of information for the Press, all the information they get from me is right in the Legislature here, Mr. Speaker.

Hon. Mr. Brockelbank: – Precedent is a wonderful thing. I have here the Journals of 1940 and I find that the Session . . .

Mr. Speaker: – The member is establishing a kind of a precedent here before the Orders of the Day, and I would ask you to confine yourself to it.

Hon. Mr. Brockelbank: – In the last four days of the Session of 1940, from the 12th to the 16th of March, there were 72 bills in Committee, and 34 got second reading in those last four days.

FIRST REGIONAL LIBRARY

Hon. W.S. Lloyd (Minister of Education): – I would like just a minute to make a brief, but I believe important announcement. From time to time I have had the opportunity in the House of having reference to the Regional Library plan for Saskatchewan and there has been some questions and some discussion regarding it in the House. I am very pleased to be able to announce, this afternoon, Mr. Speaker, that arrangements were completed in the city of Prince Albert, yesterday, for the organization of the first Regional Library in Saskatchewan. The area will include the city of Prince Albert, together with a number of towns, villages and rural municipalities around the city. The library board comprised of representatives from these municipalities has been set up, and I am pleased to say that Mayor Cuelenaere of the City of Prince Albert has assumed the position of Chairman, and I am sure that everybody in the province will watch, with interest, this experiment in this attempt to bring to the rural residents and the residents of smaller towns, some of the library benefits previously available only to people living in cities.

CROW'S NEST PASS RATES

Mr. W.S. Thair (Lumsden): – Mr. Speaker, the motion standing in my name on the Order Paper, reads as follows:

“That this Assembly views with great concern the insistent demands of the Railways of Canada for increased freight rates, including the rates on grain and grain products, and urges that the statutory Crow’s Nest rate schedule, abolition of which is now being sought by the Canadian Pacific Railway Company, be maintained.”

As the general matter of freight rates was debated and

decided in this House some weeks ago, I would like to withdraw this motion and, with the consent of the House, to substitute another motion dealing entirely with the Crow's Nest freight rates.

Mr. Speaker: – Has the hon. member leave to withdraw the motion on the Order Paper, and submit another in substitution?

Leave granted and motion withdrawn.

Mr. Thair: – Mr. Speaker, in introducing this motion, I will read it, as it is not on the Order Paper:

“That this Assembly, being of the opinion that the grain rates as established by the Crow's Nest Pass Agreement were to a great degree responsible for the settlement and development of the Province of Saskatchewan, and that their continuance is essential to the economic security not only of the grain farmers in this province but to any measure of prosperity and stability for all the people of Saskatchewan, strongly urge that the present Crow's Nest Pass Rates on grain remain under the direct control of the Parliament of Canada.”

Mr. Speaker, in introducing this important resolution, I would like to point out to this Assembly that the abolition of the Crow's Nest Pass rates could be a most disastrous blow to the grain-growing interests not only in Saskatchewan, but also Alberta and Manitoba. The Western economy has been built up to a large extent on these Crow's Nest Pass Rates. A joint submission by the Governments of Saskatchewan, Alberta and Manitoba was filed with the Board of Transport Commissioners some weeks ago, and I am going to quote briefly from this submission:

“The Crows' Nest Pass rates represent established national policy the alteration of which would be ruinous to wheat-growing areas.”

Now, Mr. Speaker, Mr. M.A. MacPherson who has done such a splendid job at Ottawa before the Board of Transport Commissioners, as counsel for the Saskatchewan Government, practically forced from Mr. Jefferson, the vice-president of the C.P.R., that in the event of the abolition of the Crow's Nest Pass rates, the freight rate for instance of Regina on wheat to the Lakehead would be doubled; that is, from about some 42 cents per hundred lbs. or an increase of about 100 per cent. This would increase the freight rates at Regina or Adams, where I deliver my own wheat, from 12 to 12½ cents to 25 cents per bushel, doubling the rate. Thus it is possible, Sir, to get some idea as to what it will cost Saskatchewan grain farmers if the Crow's Nest Pass rates are abolished and the grain rates are placed under the Board of Transport Commissioners, where the general rates are at present, and apparently to date, they have never turned down a request from the C.P.R. for higher freight rates nor are they likely to do it if it were brought under the Board of Transport Commissioners.

Again, according to Mr. M.A. MacPherson, this higher freight rate on wheat and coarse grains in Saskatchewan would reach a figure, in a normal crop year, under the new rate of increasing 100 per cent, an approximate increase of 60 million dollars. As I said before that would be an increased

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freight rate over the present Crow's Nest Pass rates of \$30 million in Saskatchewan alone. Now this would be a devastating blow, I believe, to Saskatchewan grain farmers as well as the whole economy of Saskatchewan.

Mr. Speaker, it would be a fair statement to say that even in Regina city here, which is situated in the centre of probably the largest and heaviest wheat-growing area in Saskatchewan, because of this possible increase in freight rates, there would be a loss of many millions of dollars in business through the loss of purchasing power in the hands of the farmers. The same would apply to all the other cities and towns in Saskatchewan as well, as the whole economy of the province would be adversely affected.

Just a word, Mr. Speaker, regarding the background of these Crow's Nest rates. In September, 1897, the C.P.R. entered into the Crow's Nest Pass Agreement with the Government of Canada to construct a railroad from Lethbridge to Nelson through the Crow's Nest Pass, and thereby they secured a subsidy from the Federal Government amounting to \$3½ million. They also secured land grants from the Province of British Columbia to the extent of 3,625,000 acres, including the mineral rights, as well as an area of six square miles of the finest deposits of coal in Western Canada. By building this railway, of course, it was said the C.P.R. would keep out or would exclude the threatened railroad invasion of United States interests from the South, and they then actually secured at that time a monopoly of all rail transportation on that portion of the province of Alberta lying south of Calgary, which it still enjoys.

Mr. MacPherson further contended that the development of the present Consolidated Mining and Smelting Company had been made possible by the Crow's Nest Pass Agreement of 1897. He said:

“It is one of the benefits flowing from that agreement by which the Company, on its part, reduced the freight rates on grain and received in return these considerations.”

In this regard and only as one illustration, the value of the Consolidated Mining and Smelting Company, which I have taken from the ‘Financial Post Corporation Service’ of 1949, shows that on the investment of the C.P.R. in Consolidated Mining and Smelting alone, because of this arrangement and because of the granting of the Crow's Nest Pass rates, was listed at nearly \$17 million and at the same time the book value of the Consolidated Mining and Smelting Company was over \$43 million, while the actual market value was \$167. I quote again then from Mr. MacPherson that the net profit for distribution in 1948 was \$39 million while the surplus was \$18 million, or a total profit of \$57 million.

Now, Mr. Speaker, the only protection the wheat grower has is the protection of Parliament as far as grain rates are concerned. In this regard I would like to quote again from the former Prime Minister of Canada, W.L. MacKenzie-King, back in 1924, when speaking of freight rates he said:

“The East is protected by waterways; the Pacific or B.C. by the Panama Canal, Pacific Ocean or water rates, and the Prairies by an Act of Parliament.”

Mr. Speaker, so far, the Railway has attacked the principle only of the rates being under Parliament, and I read just the other day where we had a considered opinion of some 32 Liberal members of the House of Commons, 'up on the Hill', as the Leader-Post said, (this was not in Parliament), where they were going to fight to the last ditch this increase in freight rates. We have every reason to believe that if they are successful in having these rates made the responsibility of the Board of Transport Commissioners, they will immediately then ask for this 100 per cent increase, as was stated by Mr. MacPherson. In other words, they want grain rates in Western Canada made subject to similar rate increases granted to the general freight traffic in the past of 100 per cent increase.

In closing, Mr. Speaker, I wish to emphasize that in the last analysis, the Parliament of Canada, if it so desires, has the power to retain control over these freight rates on grain in Western Canada, as established by the Crow's Nest Pass Agreement in 1897, and so I move, seconded by the hon. member for Morse (Mr. Gibson), the resolution which I read just a few moments ago.

Mr. W.A. Tucker (Leader of the Opposition): – I understand the House is just going to spend a few minutes on this resolution. Of course, it is a most important resolution from the standpoint of Western Canada and the few words I may say about it should not be regarded as any indication of any lack of appreciation of its great importance.

As far as the Opposition is concerned, we are heartily in accord with this resolution. One of the actions taken by Mr. King's Government in 1924 that made me contemplate returning into the Liberal Party and giving him my support, was the re-introduction of the Crow's Nest Agreement in 1924. It was one of the items on which the Progressive Party had fought very strongly in 1921, and when the Liberal Party re-introduced the Crow's Nest Agreement in regard to rates, I was very pleased at that evidence of willingness to follow and accept a great many of the principles for which the Progressive Party had been fighting. So one of the things that I have always appreciated in Mr. King's career was the bringing back into existence of the Crow's Nest Agreement in regard to grain, the export of grain, which I feel is so important to us in Western Canada. We are realizing its importance more now than we ever did, when we see how rates tend to go up where they have not got a ceiling on them, as is the case in regard to the freight rate on grain as imposed by the Crow's Nest Act. So I think that we do appreciate more than ever what a splendid thing it was that this legislation was put through in 1924.

As I said on one occasion, I have always thought that it was one time when the Senate, perhaps, did do a piece of good work, because, when these rates were being suspended during the first World War, the Senate put some sort of a rider in that they should come back into existence a certain period after the war was over, and so the matter had to be dealt with in one way or another. I felt it was easier for a Government to pass the permanent Act when, if they didn't pass an act at all, the rates came back into existence, when had they been abolished altogether then they would have had to pass another act sort of denovo. So I always held that that was something the Senate really did that was helpful. I was pleased that that was done by the Senator from Portage-la-Prairie where I was born and brought up. So I

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have a sentimental attachment in many different ways to this Crow's Nest matter, and when it was attacked by the C.P.R., Mr. Speaker, our Liberal Council meeting was being held in Saskatoon, and the word was brought to us that the C.P.R. had made an attack on it. We suspended all business and passed a resolution I think very much along the lines of this resolution endorsing the Crow's Nest rates being left under the jurisdiction of Parliament and strongly opposing any interference with that basic right that we have in Western Canada in regard to the export of our grain – and that, of course, went through unanimously.

Now, as I said, when speaking in this House on the debate on the Address, Mr. Speaker, this is a matter on which we can unite, regardless of party, in Western Canada, in protecting the basic rights which our farmers have. I commend the member for bringing it up, and I think that everybody on this side of the House is in hearty accord with this agreement. I would just like to say that I cannot conceive of Parliament passing an Act doing away with the Crow's Nest Agreement, as it present exists. That was the considered opinion of Parliament in 1924, and I cannot conceive of Parliament acceding to the request of the C.P.R. and so I feel certain that these rates are not in danger. I do agree, however, that when we are attacked in such an important matter, we should not let the rest of the country be in any doubt that we are absolutely united in Saskatchewan behind the retention of this basic right.

The question being put on Mr. Thair's motion, it was agreed to unanimously.

AGRICULTURAL PRICES SUPPORT

The Assembly resumed, from Tuesday, March 7, 1950, the adjourned debate on the proposed motion of Mr. Gibson:

“That this Assembly request the Provincial Government to urge the Dominion Government to immediately invoke the provisions of the Agricultural Prices Support Act to the point of assuring farmers of their rightful share of the national income; and that the said Government immediately institute a permanent system of support prices on all farm products which will bear a proper relationship to the farmers' cost of production.

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

That all the words after the word “Assembly” in the first line be deleted and the following substituted therefor:

“Urge the Federal Government to co-operate with the Provincial Government in giving every possible assistance to producers in organizing provincial marketing boards and that the Government of Canada be requested to render all possible assistance and if necessary financial aid in setting up a National Marketing Agency under the control of the producers

through their provincial marketing boards and that floor prices be continued and extended for all farm commodities which will assure the producers a price commensurate with the cost of production and an adequate standard of living.”

On the amendment.

AGRICULTURAL PRICES SUPPORT

Mr. A.L.S. Brown (Bengough): – Mr. Speaker, it is with a great deal of hesitancy that I rise at this particular moment to take part in the discussion on this particular amendment, not that I do not appreciate the importance of this subject, but in an effort to expedite the business of this Legislature, possibly more business could be expedited if I sat in my seat. However, we, as farmers, have often even in harvest time taken time off to discuss this very important question of the marketing of our product, and I think it is the duty of all the members of this House, irrespective of the fact that we may think that we are busy on other matters, that we should take a minute or two off to discuss in general terms this very important matter of marketing, particularly as it effects the agricultural economy in Saskatchewan and as it also affects the services that this Government or this Parliament may be undertaking to provide.

I was not particularly surprised at the amendment which was moved, the other day, by the members of the Opposition. In their amendment to the motion which was introduced by my seat-mate, they are sanctioning the abdication of responsibility by the Federal Government, responsibility which has been steadily abdicated by them within the last two or three years, and I think the onus is upon us, as members of this Legislature and representing an agricultural province here in this Legislature, to protest in the strongest forms that abdication of responsibility. We have seen what the accepting of Federal responsibility by the Federal Government has been able to do to our agricultural industry here in Western Canada in particular and Canada as a whole. During the war and the immediate post-war period, when the Federal Government had accepted its rightful responsibility by establishing national marketing boards, as it did in the case of wheat and as it did in the case of certain other agricultural products, particularly hogs and eggs, and when they undertook to inaugurate bilateral trade, bilateral to the extent that the national Government agreed to put up on the export markets of the world, and in particular with Great Britain, certain specified amounts of agricultural products in return for certain specified amounts. We have seen that that has brought a large degree of stability to the agricultural industry. It has brought a degree of stability to this extent, that we can take that period in which the Federal Government was assuming its responsibility, and establish it as a base period for the agricultural industry. The price which we received during that period bears a fairly favourable relationship to the cost of production in the majority of agricultural products. There can be no question but that we, during that period, were led to believe that that same condition would prevail following the war and to maintain agricultural prosperity. I can refer you to a statement made by the Rt. Hon. W.L. MacKenzie-King when he was Prime Minister of Canada, as late as 1943, in which he states in part during a radio broadcast:

“I wish tonight to thank the farmers of Canada

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for their magnificent contribution to the battle of production. I wish again to appeal to them to continue to help hold the front line against inflation by continuing to support the price ceiling. If, to help win the war, the farmers are asked to accept a ceiling on prices, we believe that they are entitled to a floor under prices to insure them against an agricultural depression after the war. As a most essential post-war policy the Government of Canada intends to ask Parliament at the next Session to place a floor under the prices of the main farm commodities.”

There was the statement made by the then Prime Minister of Canada in which there was no ifs, but or ands, a clear-cut statement of the proposal of the Government at that date. To further the belief that the agricultural prosperity which we enjoyed to a degree during the war, would continue, there was passed in 1945 the Agricultural Prices Support Act, which we were led to believe would place a floor price under agricultural products compensating with the cost of production. And again I can refer you to a statement made by the then Prime Minister of Canada, Mr. St. Laurent, when he went to the people in 1948 during the election campaign at that time. Speaking at Moncton, he said:

“The many Canadian farmers and fishermen are a good example where it is not a problem of finding work. Full employment for primary products means a good market; markets where they can sell their products. Markets have been good for most of our farm products and in addition to good markets, our farmers and fishermen have the added security of the Government’s floor price legislation. There can be no social security without work and markets. Work for those who want work and markets for those who produce are the very beginnings of social security. There can be no question in our minds, that we were expecting two things to emerge from the post-war policy of the Government: first, a floor price under our agricultural products, and secondly, a market for the exportable surpluses which we may produce in that particular industry.”

I think it is fair to state that as late as June, 1949, the farmers in Western Canada took those statements at their face value and they expected that the Government which was elected in June, 1949, would undertake to fulfil the commitments which were made not only by statements of the Prime Minister at that time, but also written into legislative terms in the Prices Support Act. This Prices Support Act very clearly indicates what we could expect under a Prices Support Act. This is not a press report, it is not a statement made over the radio, but it is something in their own Act – an Act written in 1944 known as the Agricultural Prices Support Act. I might point out, Mr. Speaker, that this particular Act was passed just previous to the Federal election in 1945 and, in 1948, we had the Natural Products Marketing Act passed by the Federal Government just previous to the Federal election of 1949. In this particular Act it states in part, in connection with the floor prices which they suggest they would place under agricultural products:

“The Board shall endeavour to insure adequate and

favourable returns for agricultural products, by promoting adjustments from war to peace conditions and shall endeavour to secure a fair relationship between the returns from agriculture and from those from other products.”

We are not asking for ‘pie in the sky’. We know that these things can be done, Mr. Speaker. We have seen them done in wartime, and they can be done in peacetime – and no one can tell me that the production of foodstuffs is more important in time of war than it is in peacetime. In my humble opinion, I suggest that the production of foodstuffs is more important in peacetime, for through that medium we may be able to do our share towards preventing future world wars. I suggest that, if we are going to have stability in our economy, we must have stability particularly in our primary industries of which agriculture is the main one in Canada, along with the fishing industry.

Now, Mr. Speaker, we find these glowing words being used in an attempt to prove that they left something out. They suggest that they did not mean those words said at that time. They suggest that they meant something else, and in the Leader-Post of March 29 and March 27, there are articles written by special correspondents which purport to represent Federal policy in regard to agriculture. They go to great lengths to attempt to prove that the Federal Government has fulfilled the commitments it made to the people back in 1943 and again in 1945 and again in 1949. I don’t propose to take the time to deal with all of them. I think the opinions expressed in these two articles are opinions which we must take as representing Federal policy in this connection. It is pretty well summed up in the final paragraph in the article of March 29th, which states in part:

“Therefore, the only commitment of the Federal Government presently outstanding is the commitment to provide floor prices which are to be discarded for cellar prices and as such, to protect farmers precisely in the way or ways old age pensions protect old people and unemployment insurance and relief protect workers in industry. To suggest that a floor price affords the slightest prospect to the farmers of recovering their losses since 1946 under the British contract, is demonstrably untrue.”

In 1945, in their own Act, Mr. Speaker, they suggested that the Agricultural Prices Support Act will create prices which bear a fair relationship to the other occupations in the community. I say that now they suggest that that fair relationship to the agricultural industry shall be on the same basis as unemployment insurance or old age pensions are. I suggest, Mr. Speaker, that the Liberal members from Saskatchewan as elected in 1949, have indeed broken faith with the people who elected them at that particular time, if they endorse the policy as enunciated in that particular case.

In the struggle which has been going on in the past few months, the C.C.F. has been in the vanguard in advancing the interests of the farmers

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in Western Canada and, in the last two weeks, we have seen two very important Acts as they affect the agricultural industry, come before the Parliament of Canada. One was the Agricultural Products Act which undertook to extend the period in which the Federal Government could undertake to provide agricultural products contracts to importing countries. The C.C.F. members at Ottawa moved an amendment, which, I think, every member in Western Canada could support, that it not be extended for one year only, but that it be made a permanent policy in regard to exports of surplus products. The second important amendment was an amendment to the Agricultural Prices Support Act, which once again would extend the period beyond March 31, 1950, and at that time (and I think it was a fair suggestion), it was suggested that there should be incorporated into this Act a provision which would guarantee that the floor price under agricultural products would not be below that of the price-cost relationship of agricultural products during the period 1944-49. I do not suggest that that should necessarily be incorporated in this Act, but I do suggest, Mr. Speaker, that in view of the fact that it is proposed now that our Prices Support Act shall be nothing but unemployment insurance, then I suggest that we should, at all times, bring to the attention of the Government at Ottawa, that we are absolute and unanimous in our opposition to that particular thing.

We are in this post-war period to which Mr. MacKenzie-King referred in 1943 and to which Mr. St. Laurent referred in 1948, and what have we got, Mr. Speaker? We have, in Ottawa, a Natural Products Marketing Act which is strictly permissive legislation under which producers' marketing organizations formulated under provincial Legislation may co-operate together. We have here an absolute abdication of responsibility by the Federal Government. Secondly, we have an Agricultural Products Act which extends for one year only, the right to make contracts with importing countries. Some may say that this can be extended next year and so on, but I suggest that they could just as well have made it a permanent policy and assured us that we would have a market for our exportable surplus and that we would have created bilateral trade to the extent that we could place upon the world markets, or the markets of any importing country, certain amounts of goods and be guaranteed a return for them. Thirdly, we have an Agricultural Price Support Act, which I just made reference, an Act, Mr. Speaker, by which the farmers of Western Canada can starve to death. We starved in the 1930's without an Act. We do not need an Act to starve to death; we can do that very well without it. If what we have seen is a forerunner of future policies of the Government (and I suggest that very likely it may be), we can very well gauge what this Prices Support Act will do. You will recall that, last Fall, the floor dropped out of the price of eggs due to the completion of the British contract in regard to poultry products, and we had a floor price or support under that particular commodity of 32 cents to the producer or 38 cents to the processor. Is anyone in this House going to suggest that that 32 cents per dozen for eggs will assure to the producer that he will have a fair relationship to other occupations in the community? I am satisfied that no reasonable person will suggest that it will in any shape or form. Then we have hogs. It is true that, today, we have a floor price of 32 cents per lb. under them. May I point out, Mr. Speaker, that this floor price which we have under hogs, is related to the British contract and as soon as the British contract terminates, we have no floor price under them – and Mr. Gardiner himself, in the House, on March 27th, admits that very fact. But we have got, through these provisions, Mr. Speaker, a guarantee that we will return to the 'thirties. This morning's Leader-Post and last night's final edition clearly indicates that we are well on our way to that stage: "Wheat Board will make initial payments of \$1.40" – 35 cents a bushel less than we received last fall.

My hon. friends have on numerous occasions raised objection to the taxes which we are paying. Next fall, when I market my wheat, I am paying a tax of 35 cents a bushel on every bushel that I market – considerably more than the tax we pay to provide for Social Services. That is true, Mr. Speaker. God help the municipalities when the farmers of Western Canada are expected to maintain themselves in production and, at the same time, pay their municipal taxes under an initial price such as that!

I would point out further, Mr. Speaker, that in this article it points out that we have not, as we have had in the last five years, a pool by which the returns can be spread over a five-year period. I would point out that this is much more than a drop of 35 cents a bushel, as it affects the prices which we receive for agricultural products in comparing them with the cost price of production. We were able by the provisions of the five-year pool to take the wheat that we grew back in 1945 at considerably less cost than we grew in 1949, and the cost relationship back in 1945 as compared with the cost relationship of \$1.40 in 1950, is considerably more than a loss of 35 cents a bushel. So, Mr. Speaker, I suggest that we here in Western Canada should be united on what we consider to be a sound and sane agricultural policy.

We should be united on this account that we should ask the Federal Government once again to resume its responsibility which it has not resumed and which it had at one time accepted, and that is by asking it to establish national marketing boards to take care of our exportable surplus. I suggest, Mr. Speaker, that we, as producers, have a responsibility, and I think that, as producers, we should accept our responsibility. I think that we should accept that responsibility by forming marketing boards, and that this Legislature should in every way assist in establishing those marketing boards; but I suggest that, when we go into the export field, that is not the responsibility of the producers. When we go on to the export markets, let us do it as Canadian people through our Federal Government, for the Federal Government has control over many things which producers have no control over. They have control over our fiscal policies; they have control, and rightly so, over our trade policy; they have direct relationship, first, with the Marshall plan, and I suggest that it is fair and right to ask that the principle of national marketing boards be extended indefinitely into the post-war period. Thirdly, we should have a Prices Support Act which will guarantee us a return for our products compensating with the cost of production.

Therefore, Mr. Speaker, I move, seconded by the hon. member for Kelvington, (Mr. Howe):

“That the words “of farm commodities” be added after the word producers in the second line of the amendment and that the amendment be further amended by deleting the words, after the word “requested” in the fourth line, and substituting the following therefrom “to establish national marketing boards for the disposal of exportable surpluses and that the provisions of the agricultural price support act remain available for all farm commodities, with floor prices that are compensatory with the cost of production and an adequate standard of living.”

Mr. Speaker, the motion will then read, (and I read it

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because I believe it enunciates sound agricultural policy, as amended by the amendment), as follows:

“That this Assembly urge the Federal Government to co-operate with the Provincial Government in giving every possible assistance to producers of farm commodities in organizing provincial marketing boards, and that the Government of Canada be requested to establish national marketing boards for the disposal of exportable surpluses and that the provisions of the Agricultural Prices Support Act remain available for all commodities with floor prices that are compensatory with the cost of production and an adequate standard of living.”

Mr. J.W. Horseman (Wilkie): – Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

SECOND READING

Natural Products Marketing Bill

The House resumed, from Monday, March 27, the adjourned debate on the proposed motion of Premier T.C. Douglas, as Minister of Co-operation and Co-operative Development, for Second Reading of –

Bill No. 58 – An Act to amend The Natural Products Marketing Act, 1945.

Mr. A.H. McDonald (Moosomin): – When I adjourned the debate on this Bill, Mr. Speaker, I did so to enable myself and other members to get the reactions of those vitally concerned in their constituencies, and in order to make a more thorough study of what is implied. Under the Act as it stands, there is a Board set up, and right up to the present moment, if any organized group of producers wishes to approach this Board for information and with the request that a board should be set up to handle their produce, the Board can take their case and study it, and recommend to the Lieutenant Governor in Council that a marketing board should be established, but, before it can be put into practice, a vote of the producers must be taken. The vote was mandatory.

With the amendment which we have before the House now, this vote of the producers is no longer mandatory; that is, this board can recommend to the Government that a vote of the producers be taken or not to be taken and a marketing board could be set up to handle the produce of any given producers' organization without a vote of the producers being taken.

When the Premier and the Minister of Agriculture were speaking on this amendment, I understood from them that certain groups of organized agricultural producers had asked for this amendment. Now, I think I was right when I heard mentioned the Beekeepers' Association and the Saskatchewan Federated Co-ops, but I am just wondering if the real producers, for instance, the Saskatchewan Poultry Producers' Association and the sheep producers and the

swine producers and the hog producers and the dairy producers – I wonder if any of these organizations have approached the Government for this amendment to the Act. I would be very interested to know because I feel that these are the real producers in this province, and some of the organized co-ops probably have not got the full support of the producers as these organizations have.

Mr. Speaker, it is not only the fact that I am opposed to not taking a vote, but I am also opposed to a Board having the say whether we can have a vote or whether we cannot. I think that, definitely, on every occasion a vote of the producers should be taken, and I noticed here an article in the paper and it is not the Leader-Post, it is the 'Commonwealth'. In a few words here it says that Mr. Douglas says, where some marketing groups come before the Board and prove beyond reasonable doubt, that 85 per cent to 90 per cent of the producers are behind this scheme, that it should go through without a vote. Well, I doubt very much if there is any organization of producers in this province that have 85 or 90 per cent of the producers in that organization. I do not think there is.

I might also bring up at this time, an excerpt from a speech made by the Premier at North Battleford on January 20, 1950, where he states that a board set up to handle the agricultural produce in this province would not have the facilities. Well, again I do not understand that, because I always thought that if an individual or an organized group or a co-op or anybody else, had something to sell, there was nothing to prevent them selling it any place in the world if they had somebody to buy it. It seems to me that this is not right, and if I am wrong in making that statement, I would certainly like to be corrected. I do not think I will take the time of the House to read this statement – I am sure the Premier will know what I am referring to. I would just like to read with your permission, Mr. Speaker, to the House, two telegrams which have been received from the Northeast corner of this province, a place that probably this Act would affect as much as any other corner in this province. One of these telegrams reads as follows:

“I hereby protest compulsory marketing bill. This Socialist trend must be stopped. How stupid do they, the Government, think we farmers are?”

I'll put it down on the table and you can look at it if you like. I have another one here:

“I hereby protest against compulsory marketing bill now before the House.”

Incidentally, Mr. Speaker, there was a copy of this telegram sent to an hon. member on the other side of the House who comes from this particular part of the province.

Now since the adjournment of this debate, several articles have appeared in the newspapers in this province, and there have been many telephone calls come into this side of the House and I am sure on the other side of the House. There have been telegrams such as these two I just read, and I do not think, Mr. Speaker, that this amendment is going down very favourably at all with the producers in this province. I would certainly oppose the amendment, and I think we should have a vote on every issue before it is put into practice.

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Mr. R.A. Walker (Hanley): – Would the hon. member permit a question? Did he assure the members of the House that those telegrams were by farmers, or can he give any assurance that they were sent by farmers?

Mr. McDonald: – I can assure the hon. member that I do not know either of these gentlemen. One of them has signed his name, and he says he is president of a certain agricultural society in the Northeastern part of this province. If the hon. member wants to look at these telegrams, he is perfectly at liberty to do so.

Mr. J. Benson (Last Mountain): – Mr. Speaker, I understood, when the Premier introduced the Bill, that he stated that he would be quite willing for the Bill to be amended in Committee of the Whole if we gave it second reading. I want to point out that insofar as I am concerned, I am very much in favour of producers' marketing boards if the producers want them, and I think that there is one safe and sane way to follow in all this class of legislation. That is, by putting it into the Act that when the producers of those various commodities who want to set up these boards have expressed their desire to put it in by a vote; and I do not think that we should detract from the principle. I do not want to see the marketing Act destroyed. I want to see it remain on the statute books; but I want to see it remain on there with the provision that any group that wishes to set up a marketing board, shall, first of all, have a vote so they can definitely state whether they want it or not.

Mr. Speaker: – If anyone wishes to speak in this debate, he must do so now, as the mover of Motion is about to exercise his privilege to close the debate.

Mr. J.W. Horsman (Wilkie): – I think, Mr. Speaker, that this is probably the most important piece of legislation that has been before this House this Session as far as the agricultural population of the province is concerned, and I think we should give this very careful consideration before we pass this amendment.

Reference has been made to farm organizations in this country – the Wheat Pool, for instance. Very often the word of the directors, you might say, of some organization like the Wheat Pool, might be taken as the wish of the entire farm population of this province. Now, of course, the Wheat Pool is a grand organization, but it only represents roughly 50 per cent of the farm population, and we have no way of knowing whether even that 50 per cent would be willing to have an Act like this passed. It would compel every farmer marketing a certain product, if a board like this was established, to have that product marketed through that board without them having a chance to vote on the question. We all remember, of course, when the Wheat Pool was set up and we remember very well the terms of the conditions. There was no vote taken on the Wheat Pool when it was established; but every farmer that joined the Wheat Pool had to sign a contract, but he did not have to sign the contract – he could stay out of the Pool if he wished to do so, and the Pool started on that basis. They got about 50 per cent of the farmers to sign these contracts, and they carried on for quite a number of years. Later, though, they dropped the contract idea altogether and ever since that time the Pool has run wide open. You did not have to sell your wheat to the Pool whether you were a Wheat Pool member or not, and even through all the difficulties that the Pool had, the farmers of this country stayed with them, and they are still the

greatest farm organization that there is in the world. I think the strength of the Wheat Pool is due to the fact that no-one was ever compelled to join it. There are many members of the Wheat Pool today that don't market their wheat through the Pool, but there are other farmers that don't belong to the Pool at all, who do market through the Pool. It is absolutely wide open, and I think that is the only way to do.

It seems to me that if anything is going to be compulsory in a thing like this, it should be the vote that would be compulsory. If people are going to be compelled to do anything, they should be compelled to vote on a question like this – either that, or they should sign contracts or something as they did under the old Wheat Pool.

Now, Mr. Speaker, I think we should give this matter very careful consideration as it is something that is of real importance to the farmers of this country. Under this Act, a small group of farmers anywhere might get together and get a board like this established without a vote, and it would be province-wide. Everyone in the whole province would have to market through that board, without a chance to decide what he wanted to do at all. I would suggest, Mr. Speaker, that we give this matter very careful consideration, because, after all, this is an agricultural province, and if anyone has a right to decide on a thing like this, it should be the effected people most, the farmers in this case.

Hon. I.C. Nollet (Minister of Agriculture): – I would like to draw the attention of members of this House to one very important phase of the future activities of provincial marketing boards and it is this: we have been told by Ottawa that we cannot obtain price support until we are organized as a provincial marketing board. I would like to ask hon. members how they expect to have any farmer receive the benefits of price support from markets outside the board. It must be a 100 per cent board.

Mr. Horsman: – But, Mr. Speaker, that is no reason why we should not be allowed to vote on the question. You don't have to force the thing on the people.

Mr. R.A. Walker (Hanley): – Mr. Speaker, in reference to this Bill, I am afraid that there is some likelihood about the purposes of this Act being misrepresented throughout the country. I noticed in the press report, this morning, that a meeting was held in one point in Saskatchewan, where this Bill was the attraction to get people together, and then I have no doubt from reading the report that it was represented to them in altogether unfair ways. We should make certain that the people in the province recognize and realize that this Bill does not alter the principle of marketing through provincial marketing boards where those boards have just been set up. This Bill merely provides for the change in technique and procedure in setting up the board. But I would draw to the attention of the House, Mr. Speaker, that in section 5, subsection (3), it is stated that, in order to determine the representative nature of any request for establishment of a scheme, the board may hold or cause to be held public hearings for the purpose of receiving representations for or against the proposals by persons engaged in the production or marketing represented by the group requesting the scheme.

I want to say, Mr. Speaker, that I am firmly convinced that

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no scheme should be set up under this Act without a vote, if it is physically possible for such a vote to be taken. On the other hand I recognize that there may be some occasions when, in the interests of all the producers and at request of all, with no producers opposed, it is desired to go into this scheme, then I think it would be foolish and ridiculous for this Legislature to so tie the hands of the Government and the Natural Products Marketing Board so that such a scheme could be set up in a minimum time. I, myself, look forward to the Government on the board conducting votes on all these schemes when they are proposed; but I appreciate the fact that there can be some occasions, there may be some groups of producers where it is virtually impossible to set up such a board – for instance, where you have producers of highly transitional character, who come into the business of producing an agricultural commodity maybe only for a few months in the year and who are not capable of being recognized or distinguished as producers at the time when the particular plan is being approved. Those people would be bound by the decision of the board, although they were not producers at the time the scheme was implemented. I say that I think we do not need to have any fear that any of these schemes will be set up without a vote where there is a reasonable possibility of holding such a vote. I would be very sorry if such schemes were set up without holding a vote wherever possible.

I draw to the attention to hon. members opposite, who are concerned about this, that the other provinces which have this Act have exactly the provision that this Government is asking for. They have no mandatory requirements for a vote on these schemes, and I think they were wise; and I think the reason why we overlooked that little detail was because this was one of the first provinces to follow the lead of the Agricultural associations in Canada. We were the first province to move into this field, and the other provinces took longer about it and they recognized the practical necessity of this option, whether a vote should be held or not. I want to say, Mr. Speaker, that I shall support the Bill, and I want to say that I am convinced that farmers who understand the import of this Bill, this purpose of this Bill will support it, too.

Mr. A.W. Loehr (Humboldt): – I had not intended to take part in this debate. However, I am in principle in every way opposed to forcing anything down anybody's throat, whether it is a person or an organization, a group of people or whatever they may be. I am thoroughly convinced that a marketing board to work in this province, to market any kind of produce, will only market it and be able to function properly if they have the wholehearted support of those who want to market their produce through that board. That cannot be had if any coercion is used to introduce such a board. I am just wondering whether the hon. member for Torch River is cognizant of the fact that a meeting in his home town was held of 400 people, violently opposing this proposed marketing Bill. Now, I dare say that in that part of the country there are just as many informed people among the farming community as there are in any part of the province of Saskatchewan, and those people know the full purport of this Bill. I don't know whether that meeting has sent any protest to their representative in this Legislature, but I daresay that they have. They protested against the setting up of the amended Bill, there is no doubt about that. Another thing. I am just wondering whether the hon. member from Hanley can go back to his constituency satisfied that he is representing the majority of his people by supporting this Bill. I would say that we in this Legislature, if we pass this amendment to the marketing Act as it stands, are doing something that will be held against us by the farming community and the production community of the province. In

the Torch River meeting, those people are aware of what a compulsory marketing board can do. They are close enough to fur marketing boards and timber boards and the fish boards, and they know full well what a board like that can mean for them.

Mr. R.A. McCarthy (Cannington): – Mr. Speaker, I would just like to say a few words on this Bill and I can assure you that I am going to be very brief. I think that these boards should not be set up until the producers whose product is to be sold confer on the matter. Now, I think that is cardinal, because it would be much easier for the people who have to administer the Act if they are sure that the people have voted in favour of it, and similarly with those who oppose the Act, and no doubt there will be some who oppose the Act. I am not opposing the Act itself; I am opposing the amendment. But, if those opposed know that the majority of people who are coming under this Act had a vote on it, while they may be opposed to it themselves, they are more apt to go along and make the thing a success. We have in this Act now a provision that a vote shall be taken, and I see no reason why it should be taken out. We all know that in the larger school unit set-up we have a permissible vote, that is permissible to take a vote. We also know that the vote was not taken. So that if this thing goes along there is just the same principle. We didn't get the vote on the . . .

Premier Douglas: – A vote was taken wherever it was asked.

Mr. McCarthy: – Certainly, I admit that; but the majority weren't voted on. They were put in, and not voted on. That does not rescind the statement I made that the majority were not voted on, although there was provision there for it to be done. It has been said that the Government in taking a vote would contact the leaders of the farm organizations in this province. That is probably a very good thought; but I wonder if one were to be set up tomorrow whom the Government would contact? Would they contact the municipal association? Would they contact the Wheat Pool, or would they contact Mr. Phelps' organization? Now these are all fine organizations, but I don't think that any one of them, or possibly all three of them, could speak for all the people in the province, so that is another reason why I think a vote should be taken.

Now, there is a lot of loose talk about these boards. I am in favour of the boards, certainly; but there is a lot of loose talk about it. My personal experience is that while they are a fine thing to keep the price of products down in the time of war, they are not nearly so successful in keeping the prices up in a falling market. They are not nearly so successful in that way and there is a reason for it. I want to say, first, that these Acts are only a means to an end, they are not in themselves going to raise prices; they are a means to an end, and just as soon as you start to get the price of your products above world prices it ceases to move and you pile it up. You have got to keep your product in line with world conditions or prices. Immediately you get above that you are going to run into trouble. There is no government, no institution, that has a possible chance of keeping prices up above world prices and still keeping the products moving. After all there is no sentiment in connection with buying these stuffs. It is purely a business proposition, and it has to be so; and just as soon as these consumers who are going to buy our goods in foreign markets are able to buy them in cheaper markets, just as soon as you get your prices above what those people

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can buy them somewhere else, your products start to pile up and that does not help anybody. We had a great example of that in the late '20s in the Wheat Pool. We priced ourselves right out of the market and we piled up our product and the Wheat Pools, today, have just finished paying for that mistake. If the government of that day had not come to the aid of the Wheat Pool, we would not have had a Wheat Pool today. It looks as though now we might be moving into a time of lower prices, and I don't think that boards or anything else (that's a world condition) can help. These boards can, if they are properly set up, properly managed, assist in orderly marketing in our province of our products, and I am all in favour of that. I don't think that any bunch of producers should be compelled to accept any board until they have a vote on it.

Mr. A. Loptson (Saltcoats): – I would just like to say a few words on this Bill, just merely to voice my opposition to it. The main purpose of it is to take away the right to vote before the board is established, and putting that power into the hands of three men, that is the majority of a committee of five, and as I am opposed to compulsion of any description in the way of marketing, I am just making my stand clear before I vote against it. But that is the purpose of this Bill. It is merely transferring the right from the producer voting for the board and putting the power into the hands of three men to say whether it should be established or not.

Premier Douglas: – Mr. Speaker, I would not have pressed this legislation, because, as I said the other day, I am not pressing it at all, and I would not have pressed it further had it not been that the question has now become a matter of public discussion and has gone much further than the Bill itself. There are now two questions really in the public mind, and I think they have to be separated to be dealt with properly. The first is the matter of the Act itself. The member for Humboldt made reference to the meeting which was held, at Nipawin. I hope that the resolution passed at Nipawin does not represent the view of the Liberal Party, or of the member for Humboldt, because it is an attack not on this Bill, but on The Natural Products Marketing Act itself. It said:

“Be it resolved that the compulsory features of The Natural Products Marketing Act of 1949 are also not acceptable to the people of the Carrot River Valley, and further be it resolved that if a number of producers of natural products wish to have Government boards through which they can market their products, we suggest the Government accede to the wishes of those producers, but it shall not be compulsory for any producer to deliver his product for marketing to that board.”

That is an attack on the Act itself, not on this Bill, and I can understand why that misunderstanding would come about, because the Leader of the Opposition fostered that in the statement which he made in discussing this Bill. He began discussion of the Bill by quoting from the Act and saying: “Of course, this is just another instance of where the producer is going to lose control of his own products. This is just the Fish Board over again.” Now, of course, Mr. Speaker, a study of the Act shows that it is just the very opposite. Instead of the producer losing control

of his commodity, this would give the producer for the first time complete control of his own commodity. I often wonder sometime whether the hon. member has taken the trouble to read the Act. You talk about government boards. There would not be a government board for marketing. The only government board would be the government administrative board.

When I hear members over here talking about the product being taken out of the hands of the producer, I wonder whether they have studied the Act. The Act provides for the group of producers to come to the administrative board and submit a scheme. In that scheme they set out how they propose to market their commodity, and they set out how the board to market will be set up, whether it will be elected, or whether they put their names in the schemen. After that scheme has been examined by the administrative board, they either modify it or reject it or finally in some form pass it on to the chairman. And also, while they are examining it, they decide whether or not a vote should be taken. They hold public hearings, they listen to different groups of people, and they make recommendations that in their opinion a vote should be held or does not need to be held. It still lies with the chairman to decide whether or not that scheme can be put into operation, and the moment the Order-in-Council is passed the board named is the schemen, either by election or by naming them in the articles of the schemen, that board becomes the marketing board, the producers' board. It is true it is named by the Government – by Government Order-in-Council, and that that board draws its authority from this Legislature; but the board is the producers' board, named by the producers in their own schemen which they submit to the Government. They handle their own product. Now, for the Leader of the Opposition, or anyone else to confuse the public by saying this means the producer loses control of his products, this means the Fish Board, is simply to becloud the issue.

Now, if the Liberal Party are opposed to The Natural Products Marketing Act, they should say that; but before they say it, Mr. Speaker, they should get in touch with their own Federal organization because, last year, 1949, the Federal Government passed the Agricultural Marketing Act 1949, in which the Federal Minister of Agriculture pointed out that now that the war was over, the Federal Government was going to get out of marketing and was asking the Provincial Governments to set up marketing agencies, producers' marketing agencies, and he passed legislation delegating to those producers' marketing agencies the power to deal inter-provincially and internationally, which power they do not have under provincial jurisdiction. When he came out here and made a speech to the Regina Board of Trade on January 11, in that speech he criticized this Government because we had not got a Natural Products marketing board set up, and said to the producers of this province: "If you want to avail yourselves of the Price Support Act get busy and get these producers' boards set up".

Now, Mr. Speaker, you can't have it both ways. You can't have it as Mr. Gardiner says "why aren't you setting up producers' boards"? and the Liberal party in Saskatchewan saying, "Producers' boards are bad things" – and, as the member for Cannington says, "Boards won't keep the prices from falling". They are all right to keep prices down in wartime, he says, but they won't keep prices up when prices are falling. Maybe he is opposed to producers' boards; maybe he is opposed to the Natural Products Marketing Act.

Mr. McCarthy: – I never said I was opposed to producers' boards. I said I was

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distinctly in favour of them, but not being set up compulsorily without a vote.

Premier Douglas: – He says he is in favour of the boards, but that they won't stop the prices from going down. As I pointed out, when I introduced this Bill, what they can do, when you take your commodity the major part of which we produce in Canada, for instance, beef, pork, eggs, poultry products, is that where only 10 per cent is surplus and 90 per cent is consumed in Canada, every hon. member knows the history of agriculture has been that if that 10 per cent is left on the market it can destroy the price of the whole 90 per cent. That happened, last Fall. That happened during the depression. In the '30s we were consuming 94 per cent of our own pork products and 96 per cent of our own beef products and yet, because we could not export that small amount, it destroyed our whole domestic market. Producers' boards would at least allow us to hold off that surplus and prevent it ruining the domestic market. Secondly, it would help to feed it onto the market, so that you don't have the price down at one season of the year and up at another season of the year, and so that you don't have the farmers getting a very low price for commodities to sell and then no price later on; so that you get a price when there are no pigs and pigs when there is no price.

That is the history of agricultural marketing through the years, so that I want to get these two points clear on the Act itself. On the principle of producers' marketing boards, I don't see how there can be any quarrel. This Government is on record with the legislation of 1945. The Federal Government has now come round to the position where it has now recognized the principle and has passed legislation to give these producers' boards the power to market inter-provincially and internationally. And may I say to the member from Moosomin that, when I said that these boards could not deal internationally, I made that statement also in the House when I was introducing this Bill, and I pointed out why – because the trading condition which prevailed before the war no longer prevails today. The time was, as my hon. friend said, when if you wanted to sell something and somebody wanted to buy, you sold it to him. Those conditions no longer obtain. Now, when you want to sell something, you have got to get around the Foreign Exchange Control Board; you have often got to sell your goods through the Marshall Aid plan; you have to sell to a country which has to get their money from the Marshall plan, or block sterling credits, or from some other financial arrangement, and only a board which has something to do with fiscal policy and financial arrangements and exchange control can properly carry on that trade. That is why I have often said, and I still say, that in the final analysis the marketing boards can market in Canada, but I believe the Dominion board should be set up to take the surplus of exportable commodities and to accept responsibility for disposing of them overseas. But we have not got that, and that is not the point we are discussing now. So that is the first point the question of the Act itself, and I say that on this Act that this is no attempt to take control of producers' commodities away from them. This is an attempt to see that he gets control of his own commodity, and that he markets his own commodity.

Now I will come to the question of the Bill itself, and that is whether or not this mandatory clause should be changed. Now I agree with almost everything that has been said by members on both sides of the House, with reference to the question of the mandatory clause. I agree that if any marketing scheme is set up it will be a complete failure unless the producers themselves are behind it, and I also agree that the best way to find out

whether they are behind it is to give them a vote. For that reason I have always been behind the mandatory provision being there, and when we brought in the Act in 1945 we provided for it, and, as I said when I introduced the Bill. I can hardly conceive of any situation where any government would be agreeable . . .

Mr. Lopton: – That privilege of voting, was that in the Act when you first brought it in, or was it brought in by the request of the Liberal Opposition?

Premier Douglas: – The question of voting was in. The question that was raised by the member for Arm River was the percentage of vote. That is correct isn't it? And we accepted an amendment from him with reference to the percentage. There was no statement as to the amount, but the question of the mandatory provision was there when the Act was brought in. The member for Arm River said the other day, "The farmer has a right to vote, or he hasn't", I agree; and I say he has the right to vote. But if a man has a right he has a right to waive a right, and if a circumstance should arise in which the farmers, because of the question of time or of some particular situation which has arisen, feel that a vote is not necessary, and if they can convince the board and the Government (and it will have to be a pretty good case), then we should have discretion to deal with that.

A question has been raised about the wires that have come in. I have one or two wires from some Boards of Trade, and I do not know that they can speak very well for the farmers. I have received some from some individual farmers, and then I got this one to which I referred, signed by Mr. Platts, and Mr. Robertson, and also one from Mr. Neufeldt attacking the Act itself and not this particular Bill. I want to point out that the Saskatchewan Farmers' Union have sent two wires with reference to this Legislation, asking us to proceed with this Bill as it now stands. I have one here from the Poultry Producers' Association – the member from Moosomin said they would like to have their point of view. Well, they say that they "trust amendment to the Marketing Act will be passed. When explained to producers and consumers, wholehearted support has been voiced without exception. So confident will be approved by nearly all when properly explained."

And the Federation of Agriculture – My friend misunderstood me. I did not say the Federated Co-ops, I said the Federation of Agriculture. The Federation of Agriculture at their meeting January 13-14, 1950, had the following organizations represented: The Federated Co-ops, The Co-operative Producers, The Co-op. Life Insurance, The Co-operative Union, The Co-operative Implements, The Co-operative Women's Guild, The Co-operative Creameries, The Farmers' Union, The Federated Producers Co-operative, The Poultry Association, The Mutual Benefit Association, the Saskatchewan Forage Crop Growers Assoc., Co-operative Livestock Assoc., and the Wheat Pool. They were all represented at that meeting and they passed a resolution which said that the Saskatchewan Federation of Agriculture (and that represents all of those groups my friend talks about), "recommend to the Government of the Province of Saskatchewan that upon the discretion of the Saskatchewan Marketing Board and the consultative committee of the Board, the taking of a plebiscite under the Natural Products Marketing Act, Saskatchewan, 1945, be made optional, and that the Act be amended to allow such procedures."

Those are their representations, and I say, I am not pressing the matter at all. As far as I am concerned the mandatory provision is excellent. If the members of the House want to leave it there, that will be

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fine with me, because I recognize that any marketing scheme set-up is going to have the support of all the producers or it will be a failure. I think the only way we can determine that most of the producers are in favour is to take a vote, and, personally, as far as I am concerned, I am certainly going to ask for a vote in almost every case, and I know that the board will ask for a vote. I am sure I am not telling any secrets out of school when I say that when the present Board of three members, which is made up of Mr. Loveridge, Mr. Downing and Mr. Farquharson, the present administrative board, were discussing this very amendment they voted two-to-one in favour. One member expressed his opposition; he thought that the vote should be mandatory. So the Board themselves feel as we do, that there is a strong case for taking a vote in every case. But, as I pointed out, the producers recognize, and they had this meeting in Ottawa called by the Federation of Agriculture, who met with the Federal Department (Mr. Milliken who is considered the foremost authority on marketing legislation sat in), and we tried to compare the Natural Products Marketing Acts of all the provinces, tried to bring them into line, and our Act is out of line in that the other Acts all make the question of taking a vote optional. That is, they leave it to the Lieutenant Government-in-Council to decide on the merits of the thing. Ours is the only one that makes it mandatory.

The farm organizations that have made representation to us say "We think we should be a vote, too, but we think we should have enough leeway, so that, if some unforeseen situation arises, we are not in a straight-jacket. That is, if we got into the same situation with reference to hogs as we got into last fall with reference to eggs, and if we are confronted with a situation which had to be met quickly, and if all the farm organizations were unanimous, and if public hearings all over the province all resounded a vote of approval for proceeding, and time was of the essence, you might have to proceed. Personally, I would be reluctant to proceed without taking a vote, but you might have to, and because of that they have asked this discretionary power be given.

If the House does not wish to give it, I shall have no objection whatever and I shall not take it as any lack of confidence in the Government. I am quite satisfied with the mandatory provisions, but I say that organized farmers have asked that this provision be there to bring us into line with other Acts, and it seems to me that if Legislatures of other provinces are willing to trust their governments, and if the farmers of other provinces are willing to trust their government, and if the organized farmers of this province signify their willingness to trust this Government, then I do not think we are asking the Legislature of this province too much to trust us to exercise this discretion properly.

The question being put, the motion for second reading of Bill No. 58 was agreed to, on division, by 27 votes to 20.

The Assembly adjourned at 11 o'clock p.m. without question put, until 11 o'clock a.m. on Saturday, April 8.