

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Eleventh Legislature
9th Day

Monday, February 12, 1951

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

DEBATE ON ADDRESS-IN-REPLY

The House resumed, from Friday, February 9, 1951, the adjourned debate on the proposed motion of Mr. Howe for the Address in Reply to the Speech from the Throne.

Mr. T.J. Bentley (Minister of Public Health): — Mr. Speaker, when the debate was adjourned last Friday night, I was mentioning that during the course of this debate a considerable amount of discussion had centred around the Wheat Board. I also mentioned in my opening remarks that evening, that during my part in this debate I would remain, as much as possible, within the boundaries of Saskatchewan and would only go outside Saskatchewan when the trail from here to Ottawa, or any other place, led Saskatchewan's interests across the border.

For a good deal of the time at my disposal I will have to spend time on that trail, varying between Saskatchewan and Ottawa. Now I wish to point out that, during the course of his remarks in this debate, the hon. Leader of the Opposition mentioned that I was in the House, that I was paying attention to him, and that I was a long-time associate employee of the Canadian Wheat Pool. That is quite true. I spent a good many years with the Saskatchewan Wheat Pool as an employee and, previous to that, had spent some time in local organization work as a member of a farming community. I know the philosophy behind the movement, both from the grain marketing aspects of it and also the co-operative philosophy. I know something of the history leading up to the formation of the Canadian Wheat Board at the present time. I would like to spend some time — if it were available, which it is not — just dealing with some of the earlier aspects of grain trading on these prairie provinces, particularly in Saskatchewan or the matter of grading, docking and weighing, and the amount of distrust there was on the part of the farmers toward the people who owned private elevator companies and who operated the Winnipeg Grain Exchange in those days. I can only say, in passing, Mr. Speaker, that a great many of the inequities — and a person might even use a worse word — have been removed by the very fact that the farm organization, known as the Wheat Pools, has been established; but now we have a reasonably honest grain trade and farmers can be reasonably assured that their grades will be as their products indicate according to grain standards, that their dockage will be proper dockage, and that the weighing will not include taking the break of the beam or any unallowed amounts, in order to protect the elevator company that is receiving their grain.

All those improvements have been brought about by the fact that the Saskatchewan Wheat Pool here in this province, and its subsidiary, the Saskatchewan Pool Elevators, have had a great deal — in fact, probably the most — to do with improving the methods of handling, grain in the country. But in the

February 12, 1951

matter of marketing grain, elevators, of course, are not sufficient, and the Wheat Pools proper have to undertake the necessary steps to try and bring about what has been in the minds of a great many farmers for a good many years in this country — that is, some system of orderly marketing.

We all know the history of the voluntary pools which operated from 1924 to 1930 in this country. We know the reasons why they were not able to do all the things they had hoped to do; but they learned many lessons. One of the lessons the Wheat Pool here learned was that orderly marketing provided an infinitely better price and much more stability for the grain grower than the speculative way, and, too, that with all the trade controls centred in Ottawa, and with the tariff advantages enjoyed by Canada's secondary industries, free trade, as understood and supported by prairie farmers, was a dream that would never be realized as long as a Liberal or a Tory government remained in office in Ottawa; and if the prairie grain growers were to have orderly marketing the job had to be done by a grain marketing board with the authority of the Federal Government behind it.

Now, Mr. Speaker, a lot of work, educational work, had to be carried on by the Pool. In those days our Liberal friends, those who were opposed to the pooling system and who were supporters of the Winnipeg Grain Exchanges and others, accused these farm organizations of propaganda. The organizations themselves called it educational work — bringing to the public, the agricultural public of this country, the information they required in order to gain their support for the type of grain board which the Wheat Pool envisaged at that time, to bring it to an actual fact.

That campaign started in the early thirties. There was a Tory government at Ottawa at that time and that government did not, in the early days of its administration, indicate any more interest in setting up a grain board or a wheat board than had the Liberal government which preceded it in Ottawa. Both had announced, in various terms that they were not in any way in sympathy with any movement that was going to interfere with the rights of the Winnipeg Grain Exchange and the private trading in grain. However, on the eve of an election in 1935, the Tory government did bring in a Bill for a Wheat Board Act, and we must remember, Mr. Speaker, if we are going to assess the future or even present, some history must be studied. I want the folks here to listen carefully to this statement.

At the time this Wheat Board Bill was brought in by the Tory government, there were certain very important clauses which gave the Wheat Board the authority it required, because with trade centred under the authority of the Department of Trade and Commerce at Ottawa, it was necessary that a government-controlled Wheat Board must have authority to deal with all phases of the trade.

At that time there was a Liberal Opposition to the Tory government, and anyone who reads Hansard will find that the Liberal Opposition was very intensely against some of the measures of that Wheat Board Bill. At that time the Liberals were as much opposed to a Wheat Board as they had been in the years previous, and as they continued to be for some few years afterwards, which I will deal with later. Some of the most ardent spokesmen of the Liberal Party were actually attacking the Wheat Pool. One member sits on the other side of the House now, in the front benches — the hon. member for Saltcoats — who at that time was very critical, and held public meetings with maps and

charts to prove that the orderly way of marketing grain by the Wheat Pool was an uneconomic way, and we should return to the old ways before the days of the Wheat Pool. I expect . . .

Mr. A. Lopton (Saltcoats): — I would do it again, too!

Hon. Mr. Bentley: — I expect the hon. gentlemen would do it again. I am not surprised or disappointed to hear him say so, I am simply pointing out that was the case.

However, in spite of the opposition, a Wheat Board Act was finally passed. I remember when that Wheat Board Act was passed it was put out under the chairmanship of John I. MacFarland, who had, for a number of years, acted as manager of the Central Selling Agency of the three prairie Wheat Pools, and had conducted what were called 'stabilization operations'. While an old free grain trader himself, he had finally become converted to the idea of orderly marketing. His sympathy had been aroused by the plight of the prairie farmers, the wheat growers. Also, when he became chairman of the Wheat Board, in that year, under the last few dying days of the Tory regime, there was also given to him, to assist, an advisory committee of seven people, four of whom represented the producers; and after a considerable amount of controversy back and forth, there was a price established through the Wheat Board, of 87½ cents.

In the early winter of 1935 and 1936, during the actual calendar year of 1935, a general election was called. The Tory government was defeated; the Liberals went back into power. They immediately fired John I. MacFarland, the chairman of the Wheat Board, and his Board, and put in charge of the Wheat Board, Mr. James Murray, an ardent champion of the Winnipeg Grain Exchange and the free or futures system of marketing. Let no one forget this history. They also abolished the advisory committee of seven, and to take its place they set up two other types of committees. One was what was called a Wheat Committee of the Cabinet, comprised of four Ministers of the Federal Government; Mr. Euler, Mr. McKinnon, Mr. Crerar and Mr. Gardiner. Mr. Euler, I suppose, knew as little about grain as it is possible for a man to know. Mr. McKinnon, coming from a prairie province, may have known the difference between oats and barley, but probably knew nothing whatsoever about the difficulties with which the producers of those products were faced. Mr. Crerar, who has since gone to the Senate but was at that time Minister of Mines and Resources, was a violent opponent of the Wheat Pool and an orderly system of marketing grain; and Mr. Gardiner had not yet at that time become a convert to orderly marketing through a government wheat board.

That was the Wheat Committee of the Cabinet. Everybody here knows, and certainly I have learned since the time I have been a member of this Government, how difficult it is for people to get to see a Minister even in a provincial government, as often as some of them would like. How much more difficult is it to see a Minister in the Federal Cabinet — not because he may not want to see people — but because he is too busy. It was also very difficult to get the Wheat Committee of the Cabinet together to meet with people who were interested in orderly marketing of grain. Added to that, as I say, with one Minister violently opposed, another Minister still obeying the dictates of the Liberal Party and the Manitoba 'Free Press', two others not particularly or keenly interested in the matter, how were farmers' organizations ever going to get the ear of those men?

February 12, 1951

To more, or less make up for the loss of the Advisory Committees of seven, however, the Liberal Government set up a committee of eleven, called an Advisory Committee. The original Advisory Committee of seven had very definite and powerful influence on the Wheat Board on behalf of those interested in the grain trade, with the majority representing farmers. What do our Liberal friends set up as an Advisory Committee? An Advisory Committee of eleven people composed of Mr. R.C. Brown, of Pilot Mound, Manitoba, representing the United Grain Growers, a violent concern, while called farmer-owned, violently opposed the orderly system of marketing grain, the Wheat Pool methods, the Wheat Board methods and others; Mr. F.L. Farnelles, of Halbrect, Alberta, a farmer, and I understand a good Liberal, but representing no organization either in Alberta or anywhere else across the country; Mr. C.E. Hayles, Winnipeg, Manitoba, representing the line elevator companies; Mr. J.C.A. Wijeam of Winnipeg, representing the exporters; Mr. J.A. McCowan, Summerberry, Saskatchewan, a farmer, and I understand a good Liberal, representing no group, no particular position in the organized group of grain growers; F. Pettypiece, Auld, Ontario, a farmer of no position, representing no organization; J.O. Roy, Montreal, Quebec, supposed to be representing the consumers, but his occupation is a feed dealer; G.H. Wesson, President of the Saskatchewan Wheat Pool, representing, of course, organized farmers here; E.L. Walker, Toronto, Ontario, representing the milling companies; Lou Hutchison, Calgary, Alberta, representing the organized farmers there in the Alberta Wheat Pool, and F.H. Glendinning, Vancouver, B.C., representing the shipping interests.

We have there an advisory committee of eleven, five representing the private grain trade, one representing the U.G.G., who was hand-in-glove with the private grain trade and the Winnipeg Grain Exchange, an ardent supporter of the Winnipeg Grain Exchange, opponents of the orderly system of marketing grain; three farmers representing no particular organization, but picked out of the air or out of the voters' lists. That is the type of advisory committee our friends across the way have their friends set up as an advisory committee.

Mr. Tucker: — Might I ask the hon. Minister a question?

Hon. Mr. Bentley: — If it is just a question, yes.

Mr. Tucker: — The statement was made that the U.G.G. were violently opposed to the orderly system of marketing. I wonder if the Minister has anything to substantiate that statement.

Hon. Mr. Bentley: — Yes, history.

Mr. Tucker: — Any other than your statement?

Hon. Mr. Bentley: — Mr. Speaker, the history is written. I have not time to read the history today. I am telling these things, and they can be substantiated by anybody who wishes to read the record of the various meetings that were held.

Now then, under the pressure of the Winnipeg Grain Exchange, the Manitoba 'Free Press' and, because their sympathies were all with it, the Liberal Party when in power, suspended the operation of the Wheat Board. They went on for some years and their cry was what, Mr. Speaker? Their cry was: "You don't need anything but the private grain trade. The

reason your prices have gone down is because there have been surpluses of wheat in this country, and just the minute we can move these surpluses out, prices will rise." While they claimed they were not carrying on a fire sale, nevertheless they were offering wheat to get rid of it to see what they called 'the floors of the bins'. 'Empty bins' is what they said we needed in order to improve the economic condition of the wheat producers of Saskatchewan and the western provinces. Get rid of the burdensome surpluses.

Well, now, Mr. Speaker, in 1937 good old Mother Nature came along and helped them. We did not produce any wheat that year for market — the smallest ever in our history; I believe around between 35 and 36 million bushels for actual sale, all of which, even of that small amount, was not raised that year. As everybody knows, that was a crop failure year. We saw the bottoms of the bins! Their prognostications were correct. The price of wheat did go up, because the following spring the farmers had to buy back seed. Why? Because the Liberal Government sitting here in Regina and a Liberal Government at Ottawa, made no provision whatsoever to hold back the meagre supply of wheat there was for seed, and farmers had to buy seed back, and the price was then up around a dollar and forty-odd cents a bushel, which the farmers had to go into debt to pay for, and the debt is still being paid — that which has not been cancelled by a people's government that eventually came in here.

In 1938, nature again came to the rescue of the farmers a bit, because in 1938 we had, not a good crop, but most farmers had a marketable surplus. What happened that year? As I pointed out a while ago, originally when the Wheat Board had been set up, the price of wheat had been fixed in the Wheat Board at 87½ cents basis No. 1 Northern, Fort William. (Whenever I mention a price during the courses of my talk, it will be basis No. 1 Northern, Fort William, unless I state otherwise). In 1938 the Liberal government, who now claim to be so friendly to the western farmers and orderly marketing, cut off 7½ cents and reduced the Wheat Board payment to 80 cents a bushel, because there was a crop in prospect that year. And the following year, a few months before World War II broke out, in the spring of 1939, we were told that this county could no longer afford 80 cents a bushel for wheat, and that the Wheat Board payment would have to be reduced from 80 cents a bushel to 60 cents a bushel, and this aroused fear in the minds of the organized farmers and other people also, in this province. The result is that the Wheat Pool circulated a petition, which was signed by 156,000 people in this province, asking the Government not to decrease the price. They did not even ask for the 7½ cents to be added on to the 80. All they asked in that petition was that the Government at Ottawa not reduce the price below 80 cents a bushel. Because of the weight of that petition, the Government at Ottawa relented 50 per cent, and only reduced it to 70 cents instead of to 60, as had been their original intention.

Mr. Danielson: — May I ask a question? What year was this?

Hon. Mr. Bentley: — In the spring of 1939. That continued for the crop year 1939, for the crop year 1940, and for the crop of 1941. We had now entered into a war, Mr. Speaker. Prices of things farmers had to buy were going up, the costs of production were increasing; but the Wheat Board payment remained at 70 cents basis No. 1 Northern, Fort William, for three crops produced in this first three years of the war — the 1939 crop, the 1940 crop and the 1941 crop. Farmers were so incensed about

February 12, 1951

this, and the agitation in the field became so great, that a series of mass meetings were organized in this country to decide what to do. The results of those mass meetings and other meetings held in the country, were to send a delegation, along with a petition, to Ottawa to ask for an increase — of what, Mr. Speaker? Not a lot of money, but an increase of from 70 cents to a dollar a bushel to take care of the producer's rising cost of production and living because of the advent of war.

I would like to just mention some of those mass meetings; I was at a number of them. One of the first to be held was in September, 1941, September 16th to be exact, and I have a copy here of a press report from the Saskatoon 'Star-Phoenix' of that date. At these mass meetings, Mr. Speaker, not only were there Pool speakers there, directors, mostly the 'big guns' of the Pool, the president and the vice-president and the more important elected officials of the Pool, but they also invited the members of Parliament and the members of the Legislature, regardless of their political stripe, to come to those meetings and lend their support to what was being done. And so, the then member of Parliament for Rosthern, the present Leader of the Opposition here in this House, was invited to attend that meeting. The 'Star-Phoenix' does not give a verbatim report of Mr. Tucker's remarks at that meeting, so I am not going to say whether their statement is correct; but certainly the 'Star-Phoenix' and the 'Leader-Post' have shown themselves inclined to give good coverage to any statement made by my hon. friend, the Leader of the Opposition, and this is what they say about this meeting:

"Mr. Tucker, second speaker, stated that he was not prepared to say whether the Government was altogether right in refusing to grant the request of western agriculture or that Mr. Sproule was right in the statements he had made. He explained that he was not at the meeting to speak on behalf of the Government, he was there to speak on behalf of Walter Tucker, said that the time given him was not sufficient to present argument. Anything, Mr. Tucker stated, which held out hope for something better was grabbed at and supported by the farmers, and because of a diminishing standard of life during the last ten years, it was possible to stir up a great amount of animosity. It should be borne in mind, he said, that this was reconsecration week and that the people should be willing to sacrifice. Mr. Tucker said that there were people who would like to make the farmer better off than he had been before the war. He felt that this would not be fair when one considered the state of the people of England."

Mr. Tucker: — Mr. Speaker, on a question of privilege. This purports to set out my stand. The hon. gentleman pointed out he is not saying that that is necessarily correct, and I want to tell him that that does not represent my position correctly at all.

Hon. Mr. Bentley: Mr. Speaker, I hope that sometimes when statements are made in the press of this country about the C.C.F., the hon. member will realize that if they have been in error in reporting him they can also be in error in reporting others. I hope he will draw that to the attention of the editors of both papers, here and in Saskatoon. However, what I want to point out here is that in the latter part I stated that, according to the newspaper report he felt this would not be fair when one considered the state of the people of England. Now, let us see if other businesses were expected, as proper businesses or industries, to consider the welfare of the people of Britain. Private industry, the source of most of the Liberal campaign funds, were more successful in getting what they wanted. They were not expected to be concerned over the British plight, because, Mr. Speaker, in the House of Commons, on September 12th, the then member of Parliament for Weyburn, presently the leader of the Party on this side of the House, Mr. Douglas, asked the Prime Minister this question, as recorded in Hansard of September 12, 1939, And I will, read the question:

"The Prime Minister stated that pending the proclamation of this statute, a Supply Board would be set up, (we are discussing war things now). May I ask whether it will take the place of the Defence Purchasing Board? Provision was made in setting up that Board, first for calling for tenders and, second, a limitation was put on profits when tenders were not called for. When the Prime Minister rises to reply, perhaps he will state whether there was any restriction of that kind with reference to the Supply Board that may be set up, pending the proclamation of this statute."

To which Mr. Howe replied — Mr. Howe was then Minister of Munitions and Supply. I will not give the whole reply because there is a page and a half, Mr. Speaker, but I will quote the part that deals with the limitation of profits in Mr. Howe's reply to Mr. Douglas. I am quoting now:

"The provision of five per cent was put in the last Act after a good deal of consideration as a minimum return for the service rendered, but it was one which men of considerable experience believed to be unworkable. I can say to my hon. friend that from that day to this the Defence Purchasing Board has done its very best to place contracts on that basis and has used every pressure brought to bear in the form of patriotism and so on, but to date it has not succeeded in placing a single contract on that basis."

I think it is well for this country to remember. The thing I am dealing with here was the thing that is in the minds of a great many people, that there should not be profits made from war; that the munitions makers and the people who supply a Government with war material in Canada should not

February 12, 1951

be allowed to become rich when other people have to go and get killed or get crippled in the performance, and that a five per cent profit was enough; but he says the appeals even to patriotism to the people who supply these failed to produce a single contract on the basis of five per cent. In other words, a strike of the suppliers of the munitions and supplies of war had taken place, and they wanted higher pay if they were going to be patriotic.

Now, a delegation went down to Ottawa, 400 people. It was not composed only of farmers, because business people, professional people, were becoming concerned about the situation with regard to wheat in this country in that year, and so a delegation did go down — I might mention here, for those who do not remember the story, that that delegation went down financed by the nickels, quarters, dimes and dollars of the 186,000 signers of a petition throwing in the odd bit of change, as they do in a church collection plate on Sundays. That amounted to something over \$40,000 collected from these 186,000 people, which financed that delegation. The delegation went down to Ottawa. It presented its case, a number of things; but I am dealing now with the price of wheat. As I said before, all they asked for, Mr. Speaker, was an increase of from 70 cents to one dollar a bushel. One of the reasons that dollar was put in there was because they felt there should not be much difficulty in convincing the Liberal Government, who had won an election in Melville on the basis of pamphlets — "Dollar wheat will do this: send your kids to school; buy them hot lunches; pay taxes on your farm and do all that." They thought that, surely to goodness, a Government that believed that much in dollar wheat would not hesitate to increase the price during war-time from 70 cents to a dollar a bushel.

The delegation was given a good hearing; then, of course, there was nothing more they could do, the matter had to come before the House of Commons.

Now let us see what happened in the House of Commons. We will see the friendship of the Liberals toward this matter. At that time, two gentlemen who lead the two sides of this House were then members of Parliament for Federal constituencies in Saskatchewan. The Leader of the Opposition was then the member of Parliament for Rosthern. The Leader of this side of the House was then the Federal member for Weyburn. Who was it got up in the House of Commons and moved that the request of the delegation be granted and that they be given a dollar a bushel? Was it the Liberal member for Rosthern? No. It was the C.C.F. member for Weyburn, Mr. Douglas. The other member of Parliament.

Mr. Tucker: — The hon. member from Weyburn did not make such a motion at all, and I challenge the hon. member to produce the evidence that he did make such a motion.

Premier Douglas: — Mr. Speaker, the hon. member is now quibbling with words. I moved an amendment to the Bill which was brought in, to provide for one dollar a bushel for No. 1 Northern basis Fort William, and my hon. friend voted against it, and he has been trying to explain it away ever since.

Mr. Tucker: — Mr. Speaker, on a question of privilege: I pointed out at that time that the effect of the hon. member's motion would have been to kill the Bill to raise the price from 70 to 90 cents and would have left the price at 70 cents. It would not have raised it to a dollar at all, and they have been misrepresenting their position ever since.

Premier Douglas: — I thought I did not make a motion! You just said I did not make a motion.

Mr. Tucker: — . . . the terms, the hon. member just said . . .

Hon. Mr. Bentley: — Mr. Speaker . . .

Mr. Tucker: — He must not to telling the truth.

Hon. Mr. Bentley: — Mr. Speaker, the history of this is well known: If I used the word moved a "motion", I could have used "amendment", but the effect was exactly the same. The hon. Mr. Douglas tried to got a dollar a bushel for the farmers of Western Canada and the hon. Mr. Tucker from Rosthern voted against it, that is the situation.

Mr. Tucker: — On a question of privilege. The hon. gentleman has just said that the hon. member for Weyburn made a motion that would have given the farmers a dollar a bushel and I voted against it. I say that statement. is absolutely incorrect. The effect of the hon. member for Weyburn's motion would have been to kill the Bill to raise the price from 70 to 90 cents. It would not have given the farmers a dollar.

Hon. Mr. Bentley: — It would have amended the Bill. It would not have killed it; it would have amended it.

Mr. Speaker: — The hon. member from Rosthern knows that he is not allowed to get up and make a speech.

Mr. Tucker: — The hon. member cannot misrepresent my position, Mr. Speaker.

Mr. Speaker: — The hon. member is making statements on his own responsibility.

Mr. Tucker: — He cannot misrepresent my position, Mr. Speaker,

Hon. Mr. Bentley: — Mr. Speaker, I do not blame the hon. Leader of the Opposition for wanting to squirm out of this position; but the fact remains, everybody in the House of Commons and the country knew that the amendment moved by the member for Weyburn, Mr. Douglas, was intended to raise that to a dollar a bushel at they request of a delegation.

Mr. Tucker: — And I voted against it — the usual misrepresentation.

Hon. Mr. Bentley: — There is no misrepresentation in it.

Mr. Tucker: — Absolutely, 100 per cent.

Hon. Mr. Bentley: — Now, Mr. Speaker, we will go on a little bit further with some of our Liberals' friendship towards the Wheat Pools. I would like then, to review the attitude of the Federal Government's policy as applied to the Wheat Board in the distribution of cars to elevators, during the years of car shortage, during the war. A car allotment system was put into operation which militated against the possibility of the members of the Wheat Pool being able to deliver their grain to their own elevators in the country, because they were not granted sufficient cars. The cars were distributed to others, who otherwise would have had no claim to a Pool member's business whatsoever. I would like the policy to be remembered about the distribution of lumber through the controller of lumber in the Federal Government during wartime, when the line companies had the lion's share of the lumber that was required to build the temporary bins in order to hold the grain because there were car shortages at that time.

I want to remind the House also of another thing that our Liberal friends, both here and at Ottawa, when they think of it, like to take credit for. They like to use it as a background to establish their friendship with the method of organized marketing of grain. That is the time in September, 1943, when trading of wheat was closed and wheat was taken over by the Canada Wheat Board by decree of the Federal Government. The price was fixed at what? It was fixed at a figure close to open market price at closing that date — no relation to the actual value of wheat; but there was an attempt made by the people supporting the Federal Government and the Government themselves to prove that was a fair price for farmers at that time. And then to say they did that out of friendship for the farmers to protect them! There was no such intention in it. The reason wheat trading was closed on the Winnipeg Grain Exchange in September, 1943, was not to give any assistance to the farmers but because the open market for grain had got itself into an impossible position because the railway cars of this country were busy carrying munitions back and forth across the country and doing other war work. Anybody who knows anything about wheat trading, grain trading, and the futures market knows that what elevator companies buy one day they must hedge on the opening the next morning. When they hedge that contract they do it in October, December, May or July, whatever the contract month is, and they must deliver at that price at that time. And if they cannot deliver at the time the contract expires, on the contract month, they then have to buy it back. The result was, because cars were scarce and the open market was operating alongside the Wheat Board at that time, those elevator companies who bought on the open market were unable to deliver, or to be sure of delivery against their contract. The result of that condition is the possibility of a spread of possibly 50 cents or 60 cents between the price of grain on the street in the country elevator and the cash or spot price down in Winnipeg or Port Arthur. And so the government was compelled to do something about it, by the force of circumstances — not because of any friendship they had to the Wheat Pools, the organized farmers or the philosophy of orderly marketing of grain.

Since that time, Mr. Speaker, the Wheat Board has been an instrument of Federal Government policy. Instead of being an instrument for the use and benefit of the grain producers of the prairie provinces, it

has been an instrument to carry out, augment and complement the Federal Government policy, when they find use for it for that purpose. Ever since the day, Mr. Speaker, of the infamous statement of Mr. Chas. Dunning that everybody knows about in the early days of the formation of the Wheat Pools, when he gave out the statement, "For God's sake, read your contract," to people who were contemplating to sign a Wheat Pool contract up until the loss of the by-elections in Humboldt am Selkirk; from that time of Mr. Dunning's statement until the loss of those by-elections, the Liberal Party has been against the idea of setting up a Wheat Board. Those two by-elections gave them quite a bit to consider.

Now, of course, having been driven into that position, what is the natural thing for them to do? Do as our hon. friend across here is trying to do today. Say that the things they said were misrepresented; the things that they thought, the actions they carried out, were not meant to be as they appeared to be, but that they have always been, according to them, very ardent supporters of the Wheat Pools and all co-operative enterprise.

Let us have a look at a claim of that kind. I heard the Rt. Hon. Mr. Gardiner stand in the House of Commons and make the statement that the Liberal party was the father of the co-operative movement in this country. And, Mr. Speaker, I never missed an opportunity down in the House of Commons to deny it, and I deny it today emphatically, and I deny that the Liberal Party did anything to organize the co-operatives, nor did any other political party. We take no credit to be fathers of them. They have no credit coming, nor have the Tories. All right, they are trying to interject now, Mr. Speaker, and say that they are supporters. When they were in power here under Mr. Patterson, did they buy their supplies, their gasoline and oil supplies from the co-op refineries? Look up the Public Accounts or any other statement that shows the purchase of supplies and see. Did they give the 'Western Producer', a farmer-owned paper, any of their printing? The old members of this House, on either side, can answer that question. We do not need to go into these matters too much.

Now again, let us come to another great expression of friendship they showed towards the co-ops. It was under a Liberal Government a few years ago, since the war, when the income Tax Act was amended at the behest of the Winnipeg Grain Exchange. The Act was changed so that co-operatives can be taxed, the Pools amongst them. Now, where was the Leader of the Opposition at that time? He was a member for Rosthern in the House of Commons. How did he vote in the matter of taxing co-ops? He got up in the House. I was there and watched him, and wondered what he would do. He was very uneasy. He said, "I do not like this. If I had only had 15 Liberal members from Saskatchewan instead of all that bunch of C.C.F.'ers over there, so we would have had more voice in our caucus, this would never have happened. But in spite of that I am going to vote to tax the co-ops," and he did, Mr. Speaker.

Mr. Tucker: — The hon. member has purported to say what I said in the House of Commons. Now, under the rules I am entitled to set that right in regard to myself, and I want to say that I said there was one aspect of this thing that I would have liked not to see there, but I said on the whole it took

more taxation off co-operatives than it put on them, and so, therefore, I vote for it.

Hon. Mr. Bentley: — Mr. Speaker, I accept the correction. I believe he did make that comment; but, of course, anybody who studies the Act knows that it did not take any more off them; it put some on. Mr. Gardiner voted the same way — both good Liberal members from Saskatchewan. Now, let us see when they put that taxation on, Mr. Speaker, what happens? Let no one be under any misapprehension about it, this is what happens. By the laws of Canada now you cannot operate a non-profit business in this country. The whole business of the co-operative movement in Saskatchewan as it stands at the present time is based on the philosophy of the Rochdale Pioneers, that people can band themselves together either to purchase or to sell the goods they require or the goods they produce for sale and to do it on a non-profit basis. But the amending of that Act and the application of that tax against them has and will as long as it stands on the statutes of Canada, states as clearly as it can be stated in English that there is no such thing and can be no such thing as a non-profit co-operative institution in Canada. That is the situation. Now, why did they do it? Who were the instigators of this? The Income Taxpayers' association; the Winnipeg Grain Exchange and its buddies, monopoly enterprises in Canada. Now, we have heard a lot . . .

Mr. Tucker: — Mr. Speaker, may I ask the hon. gentleman a question? Is he not aware that before that Act was brought in there had been a court ruling to the effect that co-operatives were liable to taxation; that this Act was to lift a lot of the taxation from them?

Hon. Mr. Bentley: — Mr. Speaker, I will answer that question, but I wish they would not interrupt. I did not interrupt them. I never got up and asked a question. Mr. Speaker, the laws of Canada are under the control of the Federal Government and the House of Commons and the Senate, the Houses of Parliament, and if that court had decided as he says, which I believe he is correct in, they could have amended the law to prevent the courts from deciding that co-operatives can be taxed. All they had to do was amend the law and do it right, but they amended it to apply the tax. Now, we have heard, Mr. Speaker . . .

Mr. Tucker: — . . . I said in taxes.

Mr. Speaker: — Order.

Hon. Mr. Bentley: — Mr. Speaker, I believe a little lesson in courtesy would not be any harm to some people.

Mr. Tucker: — I was just answering your leader. Mr. Speaker, I was just answering the Premier. He was talking to me so I was answering him.

Hon. Mr. Bentley: — Mr. Speaker, there have been quite a few words said by our Liberal people in trying to get people to believe that, because of the greater farm income today, the farmers are much better off than they were before. Not so very long ago, just a few days ago if press reports can be believed, Mr. Gardiner made similar comments in Ottawa. I agree that the farm income has been increased, when you compute it in dollars and cents.

But when you compare the farm income at the present time with the total national income we see we are no better off in so far as our share of the national income is concerned than we used to be. Now, for instance, the last federal census tells us that, in Canada, we have 733,000 farms. There are 3,200,000 people living on those farms. In 1949, the Canadian farm income totalled \$2,474,499,000. That is a lot of money, but you have to remember this, Mr. Speaker: in that year our national income was over \$16 billion. Now, on the basis of our population, if we had received our share of the national income on the farms of Canada, instead of receiving \$2,474,499,000 we should have received \$3,680,000,000.

Mr. Tucker: — Why do you want prices rolled back then?

Mr. Speaker: — Order!

Hon. Mr. Bentley: — So the farmers lost in Canada \$1,205,000,000, because they did not get their share of the national income, Now, we will take the prairie farmers. The farm cash income in the three prairie provinces totalled \$1,272,000,000 in 1949. That was gross income. The same year the farm expense amounted to a half a billion, \$500 million. That leaves a net cash income of \$772 million. This \$772 million net cash income has to be divided among 270,000 in these three prairie provinces, and that works out at \$2,860 average farm income. I wonder if that will answer the hon. gentleman's interjection, "what do we want prices rolled back for".

I will say, Mr. Speaker, right now, that at the first excuse that there appears to be, the first time there is an indication that there is a back-swing towards the old methods on the part of enough people, and enough pressure put on by the Winnipeg Grain Exchange and others who support the Liberal party, who do not like to see this method of orderly marketing under government or public control, particularly if it ever develops that we get a proper advisory committee, where the producers themselves have a large measure of influence. I predict that, when that day comes and the Liberal party can sense it, they will go back on the co-ops and the Wheat Pool just as far as they were back in the days of the 1920's and 1930's and up until, I say, they lost the Humboldt and the Selkirk by-elections a few years ago. Well, Mr. Speaker, I could be wrong. But their history of the past indicates that at least I have good grounds for the suspicions I hold.

Now, I want to make another thing very clear, Mr. Speaker. We people on this side of the House do not criticise the Wheat Board as such. I mentioned a while ago that we object to the Wheat Board being made an instrument of government policies. We want the Wheat Board. We want it retained; but we want it brought under some measure of control so that it will do the job for farmers, not do a job that the Federal Government wants done for itself. We do not want the Winnipeg Grain Exchange. I agree that my hon. friend from Saltcoats (Mr. Loptson) does want it. I think he has made himself clear. That is fine. I disagree with him most emphatically. I do not want to see speculation in the farmer's products and in the foodstuffs that people have to buy. I do not believe in it. Nobody on this side of the House believes in it. That is the important thing to remember. We want the Wheat Board retained; as I said we want it done in such a way that its operations rebound to the benefit of

farmers at all times, not rebound to that of some particular political policy that the Federal Government may make.

While I am at it I want to point this out. I said in the opening remarks of my address this afternoon, Mr. Speaker, that the operations of the farm organizations and the elevator business had cleaned up to a tremendous extent the things that used to be wrong, that were inimical to the farmers' interests. And I want to say that, because of all those things, all elevator companies, line or pool, will only engage the very finest type of young chap to man their elevators as elevator agents and in the main, I believe, we find some excellent fellows doing those jobs. These men, as elevator agents, are in effect the agents of the Wheat Board so far as handling the products that the Wheat Board has control over, and they do a most excellent job for the farmers of this country, and I think that their work should be appreciated. They have much narrower spreads than they used to have in the old days. I still know something of the old private grain trade buying days. I bought for them. I know the methods you were supposed to use. I know the methods they are supposed to use now, and there is not near the leeway. The farmers can be sure now of their right weight. The elevator agent has to be careful of his weighing now. He has got to be an honest man. He has to be careful to see that he does not waste it, otherwise he would find himself short. When we read the accounts of various elevator companies, we see that the dockage overages, the gross overages and grain gains are much less than they used to be. They have a very difficult, exacting and arduous position, and I think these something over 5,000 elevator agents in the prairie provinces (there are well over 3,000 this province) are a group of people to be highly commended for their efficiency and competency in the particular job they are in.

Now, Mr. Speaker, I had hoped during the course of this debate to be able to devote a considerable amount of time to the work of the Department over which I have the honour to preside at the present time, and I am going to assure my friends on the other side of the House that I will do so before this Session is over. I will this year, make no mistake about that.

Mr. Speaker, the reason I was compelled to undertake the address that I have given today in this House is because it is important to remind this country, those that happen to be listening on the radio, and remind our friends opposite and anybody who is in the gallery, of the history of the attitude of those gentlemen opposite and their colleagues toward the very important philosophy of orderly marketing of grain, of doing it under government control, because of the particular trade situation and trade controls that are operated in Canada. Their attitude has not been friendly toward orderly marketing, Mr. Speaker.

Mr. W.S. Thair (Lumsden): — Mr. Speaker, I should like to associate myself with those members who have preceded me in congratulating the hon. member for Kelvington (Mr. Howe) and the hon. member for Elrose (Mr. Willis) who so ably moved and seconded the Address

in Reply to the Speech from the Throne. At this time I should also like to bring greetings to the people of Lumsden constituency, whom I have had the honour to represent at this eighth session of the Legislature.

Mr. Speaker, in reviewing the world events since the Session of one year ago, one is reminded of a quotation from a recently published book in the Legislative Library, called, "The Pursuit of Plenty", by Mezerik, who says:

"We are entering the toughest and roughest half-century in the memory of man."

And I might add, with two devastating wars behind us, there are grave possibilities of a third world war. Even as we discuss this awful possibility we cannot help but realize that while we continue to talk about war, men are dying on the field of battle, and in some parts of the world the civilians are being subjected to wholesale slaughter. It seems, Mr. Speaker, as if the only peace that we have achieved in two world wars is but a fearful and ever-shortening interval before the next holocaust; and surely it is time we came to grips with the root causes of the wars, which are not just military. One of the greatest causes of war is the undernourished and half-starved peoples of Asia. If we would have peace we must begin to fight these root causes of war with the same valour and selflessness with which we fight war itself.

It is over ten years, Sir, since Franklin D. Roosevelt, the great statesman and humanitarian, outlined to the American people and the world his four freedoms — 'freedom of speech, freedom of religion, freedom from want and freedom from fear.' We must ask ourselves to what extent these conditions of peace have been met, or are we travelling in another direction? If that is so, we here today, who enjoy comparative plenty, must bear a large share of the responsibility for the plight of our less fortunate fellow man throughout the world.

Now, Mr. Speaker, with regard to agriculture. The past year has been a most unfortunate one for most grain farmers in Western Canada and, perhaps particularly, in Saskatchewan. From a possible record-breaking yield of 430 million bushels of high grade wheat, the Saskatchewan crop was reduced to about 260 million bushels of wheat. Of that amount it is estimated, according to Mr. Horner, the Fields Crop Commissioner, that probably 160 million bushels or 55 per cent, will grade No. 5, No. 6 and feed wheat.

At the present time there is also, perhaps, more than one million acres, or 20 million bushels of wheat, in Northern Saskatchewan, unthreshed. It is doubtful if Canada will be able, even this year, to have enough of the commercial wheat to fulfil her quota under the world Wheat Agreement, and have sufficient good wheat for seed and domestic purposes. The financial loss to farmers, and business in general, accounted for by frost and bad weather, coupled with low grades and a low price for wheat, will probably reach the high figure of \$200 million. Even in this City of Regina, the centre of the largest wheat area in Saskatchewan, all lines of business must feel this great loss of pur-

chasing power because of the low price and crop conditions that I have just mentioned.

In Saskatchewan it is also estimated that there is almost six million bushels of tough and damp wheat in bins, local elevators, boxcars, or in terminals at Fort William; and there is great danger, Sir, of millions of bushels of tough wheat sprouting when spring comes, unless superhuman efforts are made to condition or dry this wheat before seeding time. This wheat has a moisture content of from 14.4 to as high as even 32 per cent, and, working at top speed, the terminal elevators are only able to dry about 300 million bushels a day. So, today, Mr. Speaker, the Saskatchewan farmer is facing the combination of serious problems of low grades of wheat, low yields and tough grain, low prices for cereal crops, while costs of farm production, such as ever-increasing freight rates and highest machinery costs in the history of Canada, high cost of fertilizers, tires, farm fuels and general living costs have reached unprecedented high levels.

Mr. Speaker, as a farmer and a member of this Legislature, I am in accord with the parity price resolution which was passed by the Canadian Federation of Agriculture, at Calgary, on January 20, 1951. These delegates, representing agriculture across Canada, voted unanimously to accept the principle of parity price for farmers' products. They opposed, as we do over here, the speculative system of marketing, and endorsed the orderly marketing procedure and international commodity agreements. Dr. E.C. Hope made some comments at this convention at Calgary. Dr. Hope is the secretary of the Canadian Federation of Agriculture, and with regard to parity prices, he said that by next summer, the farmers' dollar will be down to 50 cents, as compared with its value in 1942. I repeat, that is what Dr. E.C. Hope told the Canadian Federation of Agriculture in Calgary. Dr. Hope put the picture of the decline in the value of the dollar very realistically when he said that a man who bought a victory bond in 1942 of \$1,000, today it was worth away less than \$660, and this goes all down the line as far as the inflationary measures are concerned. Then he spoke about farming particularly, and I quote:

"The net income for a farm operator has fluctuated up and down, but the trend has been down since 1942. Farm living costs have risen 49 per cent since 1942."

This is the opinion of Dr. Hope, the secretary of the Canadian Federation of Agriculture, and I believe is the experience, and the opinion of most farmers in Saskatchewan today. We must remember that farmers form about 40 per cent of Canada's population at the present time, and actually only receive 13½ per cent of the national income. All the people of Saskatchewan, Sir, recognize agriculture as the basis of our economy. Agricultural wealth is the mainstay of most kinds of business, and upon it depends all welfare measures, various forms of health services and social security, that we grant to our citizens today in Saskatchewan.

Now, Mr. Speaker, I hesitate to say very much about the 25-cent wheat payment. I realize that the preceding speaker has spoken of it and, as a former member of the House of Commons, is well informed in this matter. There is no disagreement between us on this; but I am going to cover this in my own way. The farmers across the three prairie provinces are generally interested in the final payment to be made by the Canadian Wheat Board on the four-year Anglo-Canadian Wheat Agreement. The charges recently made by the Leader of the Opposition that this Government was endeavouring to undermine the Canadian Wheat Board are to me simply fantastic and ridiculous. Even the 'Leader-Post' concedes this. I quote from the 'Leader-Post' of Wednesday, February 7. It goes on to say:

"Mr. Tucker then managed to get Premier Douglas and the Winnipeg Grain Exchange both on the same side of the wheat marketing battle, which was probably the first time that ill-assorted couple had ever been paired off that way."

Mr. Tucker: — There has to be a first time for everything.

Mr. Thair: — Mr. Speaker, the Wheat Board was set up by the Bennett administration in 1934, and was suspended by the Liberal Government, in 1937, with the assistance of 18 Liberal M.P.'s from Saskatchewan, including the present Leader of the Opposition.

Again in Hansard, page 1398, with regard to the C.C.F. movement undermining Canada Wheat Board, and in favour of speculative marketing in the Winnipeg Grain Exchange, I would like to make this comment, and I would quote from Hansard, page 1398, that the present Leader of the Opposition (Mr. Tucker) voted against the T.C. Douglas amendment which urged \$1.00 wheat for the farmers in 1942.

Then again in Hansard, page 1298, May 7, 1946, the present Leader of the Opposition opposed a Bill curtailing the activities of the Winnipeg Grain Exchange. Again in Hansard, page 1572-74, he supported the taxation of the Co-ops, and at that time, just because he did not have enough Liberals behind him, he wanted first 18, and then from 10 to 15 to help him; well, today they have 14, a remarkable victory, and we are not getting very much results from it.

Mr. G.H. Danielson (Arm River): — There will be more yet.

Mr. Thair: — Mr. Speaker, I would like to say that one of the principles of the C.C.F. Party in Saskatchewan is, first, the wholehearted support of the orderly marketing of wheat and coarse grains through the Canada Wheat Board; and secondly, so far as I am concerned as a farmer, and I believe I can speak for a good many farmers, and for all the members of this side of the House, the use of the facilities of the Saskatchewan Wheat Pool elevators; and third, the abolition of the Winnipeg Grain Exchange. In fact, I am sure even the Opposition will agree with me that the Winnipeg

Grain Exchange actually looks upon this C.C.F. Government in Saskatchewan as one of its worst enemies.

A great number of our farmers, Mr. Speaker, are asking for a 25-cent payment on the five-year pool, and I am not going to go into that matter any more than to say, first, there are funds now in the Canada Wheat Board account; and second, wheat used for domestic consumption at low prices; and thirdly, the wheat sold to Britain under the Anglo-Canadian Wheat Agreement. Time will not allow me to enlarge on this topic, but I would like to say, whether it is 13 cents or 25 cents, that there are a lot of organizations in the province here that are not noted for their C.C.F. activities, particularly I would like to add that the Saskatchewan Association of Rural Municipalities, the Alberta Wheat Pool, and the Farmers' Union in all three prairie provinces are asking for a 25-cent payment, while the Saskatchewan Pool has asked for a 15-cent payment as the minimum, so, if the minimum stretches a bit, it will also reach 25 cents. So far as I am concerned, there is no quarrel whatever between the Wheat Pool and other organizations. I am a member of the Farmers' Union (as probably the hon. member for Arm River and other members of this Assembly are, also), and I believe we should have a purely educational farm organization for the farmers. I might say that I am a very strong supporter of the Saskatchewan Wheat Pool, and have never bootlegged a bushel of wheat in my life.

The farmers in Saskatchewan believe that the final payment is entirely the responsibility of the Federal Government at Ottawa. This principle is also recognized by the hon. Leader of the Opposition (Mr. Tucker) who stated at the Liberal convention in November, according to the 'Star-Phoenix':

"A further settlement, under the 'having regard' clause was owed to Western Canadian farmers, Mr. Tucker declared, although he felt confident that Britain would discharge its obligations fairly. He said that the Canadian Government should be prepared to accept full responsibility if Britain would not."

Mr. Tucker: — And you proved what I say.

Mr. Thair: — Mr. Speaker, with regard to taxes in Saskatchewan, I would like to say just a few words, particularly about the income tax on farmers . . . Being a farmer myself, naturally I am hit along with all the rest of them: rather an enjoyable experience at times. It is often said that Ontario and Quebec pay the bulk of the Federal income tax. This is true, I believe, as far as business and industry is concerned, but quite incorrect from the farmers' standpoint. A large portion of the tax paid comes from business done throughout Western Canada by individuals and companies whose head offices are in either Ontario or Quebec, and that is where the income taxes are collected. It is grossly unfair to credit all these taxes collected to Ontario and Quebec. The total Federal income tax paid by all farmers in the two provinces of Ontario and Quebec, in 1948, was about \$3,000,000, or something less; in 1948, Manitoba, Alberta and Saskatchewan paid \$14,168,000, despite the grasshoppers, drought, frost, rust, etc.

Mr. Tucker: — And the C.C.F. in Saskatchewan.

Mr. Thair: — I would like to quote some figures published in the 'Maple Creek News' — and I do not believe it is a C.C.F. paper, Mr. Speaker. I quote:

"Saskatchewan, reputed to be one province most in need of help among the western provinces (but does not get it), doesn't look that way when you look over the figures just released for 1948.

"In 1948 the farmers in Saskatchewan paid nearly \$6 million in income taxes while the farmers in the great Province of Quebec paid the paltry sum of \$94,000."

It is quite likely, Mr. Speaker, that, in the present Session, the House of Commons will increase the income tax. I would like to quote from a recent report from the manager of one of Canada's largest banks, at a recent annual meeting, with regard to income tax, and this is surely a portent of things to come. I quote:

"The most powerful weapon in the fight against inflation is supposed to be a stiff increase in the income tax; but this would rule out drastic increases in corporation taxes, especially excess profits tax.

"The personal income tax may hit spenders and savers alike, nevertheless it may prove to be the only weapon with sufficient power to check spending. Therefore any increase in income tax should be recognized as an attack upon inflation, and this can only be made by broadening the tax basis through a lower personal exemption."

And I add, Mr. Speaker, that that policy of lower personal exemption and the broadening of the tax basis means that they are going to take in another half million to one million people in the lower income brackets, and western farmers, again, will be subject, it is altogether likely, to a lower personal exemption, and a higher rate of taxation. But I also remind you that the manager of this great bank rules out completely any increase in corporation tax and excess profits tax. I repeat that, if big business has its way in Canada, there will be a broadening of the basis for income tax purposes, but there will be no increase, to any extent, in corporation tax, nor will any excess profits tax be imposed in the 1951 Session. We shall wait and see. It seems highly apparent, Mr. Speaker, that Mr. Abbott, the present Minister of Finance, is even less a friend of the farmer and workers than his predecessor, Mr. Ilsley.

Now, Mr. Speaker, if I may, I would like to review, briefly, a number of the services which have been extended to our citizens since this Government came into power. Hospital Services have become so vital a part of the lives of the people of Saskatchewan that it is doubtful if any political party, even the Opposition, would dare to suggest its removal. I

February 12, 1951

believe a recent Liberal provincial convention at Saskatoon generally approved of the Hospital Services Plan, and practically committed itself to carry out the scheme introduced in Saskatchewan by the C.C.F. Government, with certain specific reservations. With regard to these reservations, the Leader of the Opposition made a statement to the effect that if his party were elected they would reduce the cost of administration by a process of decentralization, or, in other words, I presume, go back slowly but surely to the municipal doctor or health plan they had prior to 1944, which actually brought much-reduced hospital services to less than 20 per cent of the rural population in Saskatchewan. It is my opinion, Mr. Speaker, that, in spite of the Leader of the Opposition or of his statement, if the Liberals were ever to obtain power again in Saskatchewan (and I don't believe they ever will), they would surely but slowly wipe out completely the present Hospital Services Plan.

Mr. Tucker: — Call an election and you will see.

Mr. Thair: — And so I would like to emphasize that the Hospital Services Plan continues to be one of the most outstanding achievements in the field of health on the North American continent.

The hospital costs have increased greatly, it is true, since the plan was put into effect four years ago, but in spite of this greatly increased cost, the plan is still operating on a fee of \$10 a year per person, or \$30 per family. I would like to compare this, Mr. Speaker, with the British Columbia plan, which, according to the 'Vancouver Sun', has reached a new and alarming crisis in its management, administration and costs to the individual. In fact it is possible that the rate may be raised to \$42 per family of two, or perhaps more — a sum about double the basis of charges fixed when the scheme was presented to the public late in 1948.

And again referring to the 'Vancouver Sun', when the hospital plan was begun the hospital rates were set at \$15 per person, later raised to \$21 per single person, or \$33 per family, and, I repeat, the fee is likely to be raised to \$42 a per family or \$30 per person, or the plan goes on the rocks.

Since January 1947, when the plan went into effect, nearly 648,000 patients have been hospitalized in Saskatchewan; a total of over \$35 million has been paid out for hospital bills. In 1950, it has hospitalized nearly 173,000 patients which includes 19,000 infants — some 21,000 people outside Saskatchewan have, since the plan went into effect, had hospital bills paid for them in such distant countries as Australia, Holland, France, Yukon, United States, British Isles, Norway, Greece, Brazil and other countries.

Saskatchewan Air Ambulance has been another splendid service for our people. In 1950, the air ambulance carried nearly 800 patients. Since this service was inaugurated on February 4, 1946, it has safely carried 4,000 patients to hospital, and has flown nearly two million miles.

Mr. Speaker, the Automobile Accident Insurance Plan, introduced in 1946, has paid nearly \$6 million in benefits up to the present date, and nearly 30,000 people have received benefits under the plan. Because of the competition of the Saskatchewan Automobile Insurance, the

rates of private insurance companies are actually being reduced in Saskatchewan but not in Manitoba, Alberta or British Columbia. The Wawanesa Company in Saskatchewan has endeavoured to give much lower rates. But where they have no Government automobile insurance, the rates in all other provinces are exorbitant, and particularly in Eastern Canada. In fact, such coverages as are given in Saskatchewan with every license, plus the package policy, for a total of \$28.50, will cost from \$75 to \$140 in any other province in Canada. I have the rates here. I might run over two or three of them. The benefits granted by Saskatchewan Government Automobile Insurance costing \$28.50, under private insurance companies will cost \$87 at Regina; in Alberta, \$119; in Winnipeg, \$129 and \$77 in the country; Ontario, \$116 to \$129; British Columbia, \$154. The member for Arm River is getting a good laugh out of this.

Mr. Danielson: — I certainly am!

Mr. Thair: — The North Dakota Legislature appointed a committee to study the Saskatchewan plan. A full report has not been given any publicity much in Canada, but only those sections which appear to be critical of the plan; but the main conclusion of the report was that the North Dakota insurance firms reduced their rates immediately after this was announced. I am going to read the major conclusion of the North Dakota report which was as follows:

"that if, after a reasonable trial period, automobile insurance rates were not brought down to a reasonable basis, then the State might be compelled to seek means, such as the Saskatchewan Insurance Plan, to assure its citizens reasonable insurance rates."

And so, Mr. Speaker, no matter how one examines Saskatchewan's Automobile Insurance operations, there is evidence that the Government has given the coverage to all citizens, Liberals, Conservatives or anybody else, who may be insured in automobile accidents, as well as damage to automobile, and this coverage is given at a low premium rate that is probably unexcelled in the world. I have a good friend at Regina Beach who certainly works hard against the C.C.F. movement, and more than a little over three months ago he certainly did give the Government a pat on the back for the automobile insurance. It was one of the finest things we have ever done, but he said, "I still won't vote for you."

Mr. Tucker: — He must be a good man.

Mr. Thair: — He is a good Liberal, all right, dyed-in-the-wool.

Now, Mr. Speaker, I would like to say a word about power, if I am not taking too long, I am interested in power, as I have stated in this House before.

Mr. Speaker, 1950 has been one of the greatest years for power construction in the Province of Saskatchewan. Over 1,500 miles of new lines have been built and the Saskatchewan Power Corporation now owns and operates over 6,200 miles of line. The rates, since 1944, have been cut four times. During 1950, the total number of rural customers has increased by almost 100 per cent. We are making power available now to more than 5,000

February 12, 1951

farmers. It is a pretty good record when we compare it with what was done years ago. I would like to compare the six years previous to 1944, when the C.C.F. Government first came into power, with the past six years. In the period from 1938 to 1944, Saskatchewan Power operation had a deficit of \$231,000 or more, and were serving 12,000 customers in 140 towns and villages, and serving about 162 farm homes. Just imagine, after 20 years, 162 farm homes! I am pleased to say that I was one of them, and I got that under the Anderson Government. Today, we are serving over 500 towns and villages. The Saskatchewan Power Corporation is serving, today, more than 65,000 customers, which includes about 5,000 farmers.

Mr. Tucker: — I bet you got it cheaper than you get it today, too.

Mr. Thair: — From 1944 to the present time, the Government has spent upwards of \$30 million on power.

Now, regarding the Co-ops: I am sure the member for Arm River across the House, and others who have been strong co-operators and have worked hard in the co-operative movement all their days, will agree with what I am going to say. I am pleased, Mr. Speaker, with the growth of the co-operative movement in many fields of activity, and particularly during the last four or five years. In spite of the opposition of Big Business, the growth of monopolies, the taxation of co-operatives in 1946 — I believe Mr. Tucker had a hand in it; August 20, 1944, see Hansard, page 5087 — I won't rub it in any more! Under stiff competition in general, the co-ops have expanded rapidly. The C.C.F. Government, wherever possible, has given every encouragement to the co-operative movement in this Province, through the Department of Co-operation and through the Purchasing Agency and other government agencies which foster and encourage the co-operative movement.

The Government, through its Purchasing Agency, has purchased all possible supplies from the local or Federated co-ops in the Province. This year, the Purchasing Agency of the Saskatchewan Government issued orders to the co-operatives for more than \$600,000 worth of supplies, such as oil and other commodities. More than \$600,000 — I would like to rub that in a bit! Back in the time of the former Liberal Government, previous to 1944, they bought nothing, at any time — only one mistake made when they sent an order across to the 'Western Producer' for \$50 worth of business.

The Saskatchewan Federated Co-ops, in 1950, did a business of over \$17 million, with savings of \$412,000. The Sherwood local Co-op, No. 224, of which I happen to be a member, is the largest consumer co-op in Canada, I believe, with over 11,000 members, and it did a business of nearly \$2 1/4 million in 1950, with net savings of over \$400,000.

I would like to quote an article, if I might, Mr. Speaker, from the 'Nebraska Co-operator', and it is this:

"The co-operatives do not, and cannot profiteer. In co-operatives the owners are patrons, and they have no motive to profiteer upon themselves. If they did enter into any agreement to widen the margins, the profits would go back to the patrons in patronage dividends.

"Co-operatives, therefore, furnish effective competition that keeps other lines of business from exploiting the public."

We see this demonstrated in the way our co-op elevators, creameries, stores, oil set-ups and our other purchasing co-operatives, stop extortion. The co-operative method of keeping business from becoming exploitative and predatory is capable of extension to all parts of the economic system.

Now, with regard to highways, I would just like to say that highway construction, Mr. Speaker, reached a new high in 1950, and I believe approximately \$10 1/4 million was spent on highways in the Province, in 1950, compared with \$3,320,000 in 1944. In 1950, the highway earth construction reached about 380 miles, the gravel on highways, 490 miles, blacktop highways, 125 miles, I believe there were over 650 miles of blacktop in the Province; and I believe it is the general policy, and only natural for the government and the governments of all countries, to connect up main blacktop highways to the main centres of population. It is the natural thing to do. That is why, in Lumsden, we have been getting a big share of blacktop highways in the past two years.

I might say that the Lumsden constituency has, within its boundaries, two cities — Moose Jaw and Regina — and Saskatoon is not so far away; so it is natural that we have to connect up the three cities. In 1944, when we came into office there was seven miles of blacktop highway on No. 6, in very, very poor condition, between Regina and No. 11, and some 25 or 28 miles between Regina and Moose Jaw. That was all the blacktop in the Lumsden constituency; but today the blacktop highway is extended away up into Arm River to Aylesbury, and I suspect it is going to cross Arm River constituency. The blacktop is extended to Aylesbury on No. 11 and to Regina Beach on No. 58, to Qu'Appelle Valley north on No. 6, and from Moose Jaw to Tuxford, 14 miles, and south of Moose Jaw about 5 miles. At the present time the blacktop on No. 6 extends into Arm River constituency and the next two or three years will likely see a further extension of both No. 6 and No. 2 highways across Arm River constituency. This is about the end of blacktop for Lumsden; but I am telling you that, in two or three years if the member for Arm River should be in this House (and we hope he will not), he will have about half a million dollars each year spent on blacktop in his constituency, and Lumsden will not have a cent. We are going to reverse the position; as we go towards Saskatoon the member representing Arm River constituency will have millions of dollars of blacktop highway on No. 6 and No. 2. I am not the Minister of Highways, so he must be patient, I am just saying, quite honestly, that over \$500,000 was spent in Lumsden constituency on blacktop highways on No. 6, No. 2 and No. 11, in 1950.

Now, Mr. Speaker, I would like to say a word about Saskatchewan Government Airways. I was much impressed with the operations of the Saskatchewan Government Airways when I visited Lac La Ronge some time ago. With the completion of a highway from Waskesiu to Lac La Ronge, the development of air service in the far north, with the assistance of the Department of Natural Resources, prospectors as well as tourists of all kinds have done more to open up and develop the far north in the past few years than has been done in the previous 40 years under the Liberal administration. In

February 12, 1951

fact it is well known that, 10 or 12 years under the Liberal administration, the Minister of Natural Resources made a trip by train just two or three times up to Prince Alberta and that is all that was done. During 1950, the Government had 17 planes in operation; the passengers carried has increased 87 per cent, cargo 29 per cent up, and mail 89 per cent. During the last fiscal year the Government Airway planes carried 7,096 passengers — nearly 2,000,000 pounds of cargo, and 73,000 pounds of mail. In addition to the services provided to the prospectors and tourists in the far north, the Saskatchewan airways, this year (the Leader of the Opposition will be glad to know), has earned nearly \$24,000, and provided all these services. It has been of inestimable value in opening up the great north land.

Mr. Speaker we on this side of the House believe (on both sides of the House, I hope), that the highest good is the development of human personality; and when we survey the world today (and I am saying this in all seriousness); when we survey the world today, with millions of children starving and destitute and homeless, we cannot but think of the words of the Master of man:

"Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me."

King George, in his Christmas message — which was broadcast to the Commonwealth, warned that mankind must make the most momentous choice of its history and must decide between the creeds of love and hatred and quoting directly from his speech:

"For if our world is to survive in any sense that makes survival worth while, it must learn to love, not to hate, to create, not to destroy."

Mr. Speaker, I shall support the motion.

Mr. R.A. McCarthy (Cannington): — Mr. Speaker, I beg leave to adjourn the debate.

The Assembly adjourned at 5.50 o'clock p.m.