

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session – Eleventh Legislature**

**Wednesday, December 5, 1951**

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

**Statement re Aid to Farmers With Unthreshed and Undelivered Grain**

**Premier Douglas:** – I should like to have the consent of the House to say a word with reference to a matter which, I know, all hon. members will be concerned about and regarding which they might want to be brought up to date. I refer to the matter of assistance to farmers with unthreshed and undelivered grain. I thought this probably would be the best time to make a statement (I have not any prepared statement) as to what has transpired in order that members returning to their constituencies and particularly meeting with municipal councils, might know what the situation is.

(AGREED)

There is no need for me to outline to the members what the situation has been this fall. The problem divides itself roughly into two parts: first, the problem of farmers who have grain threshed but have not been able to deliver it because of the lack of either elevator storage space or the shortage of boxcars; and secondly, those farmers who have not even been able to thresh their grain and have grain lying out in the fields.

The Government has had a number of meetings with the Saskatchewan Association of rural Municipalities and with the representatives of the Saskatchewan Federation of Agriculture. As a result of those meetings, I wrote to the Prime Minister, the Rt. Hon. Mr. St. Laurent, on October 19th. At that time, as a result of consultation with the bodies I have mentioned, we suggested two possible approaches to this problem. The first was that the situation be met by having the Federal Government make advances to farmers in one of two ways, either through the P.F.A.A., or by advancing each farmer a certain specific amount, or a maximum amount, per acre, throughout the province, or have it handled by the Canadian Wheat Board making advances to farmers on grain to be delivered, and those advances to be recorded in the farmer's permit book. That was the one proposal. The second proposal was, should the first not be accepted, that the municipalities and the Provincial Government, after discussion, were prepared to make advances to farmers, to guarantee loans to farmers, provided those loans were guaranteed by the municipalities, the Provincial Government and the Federal Government. It was proposed that those loans would be handled by the municipalities: applications would go to them and all applications would be screened by them, and any losses that occurred would be split three ways between the three guarantors. Those are the two plans placed before the Prime Minister as a result of our discussions with the S.A.R.M. and the Federation of Agriculture.

The Prime Minister replied to the effect that the Government was studying the first of these two proposals and, apparently, the conclusion had been that they would prefer to make advances to farmers through the Canadian Wheat Board on the basis of putting their advances in the permit book rather than having it done through the P.F.A.A. and making advances on an acreage basis.

On November 15th the Rt. Hon. C.D. Howe, Minister of Trade and Commerce, announced that within a week or ten days he would make a statement with regard to advances to farmers with undelivered or unthreshed grain. As many members

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know, the representatives of the Canadian Wheat Board were out here holding consultations with the Saskatchewan Wheat Pool and with other grain-handling companies. Following that, the Rt. Hon. J.G. Gardiner, Federal Minister of Agriculture, came to the city of Regina, and the Provincial Cabinet and representatives of the S.A.R.M. and the Saskatchewan Federation of Agriculture met with Mr. Gardiner. We discussed the whole situation, and he gave us his views as to what was likely to be done.

On November 27th, I wired the Prime Minister drawing his attention to the fact that Mr. Howe's statement on the 15th had indicated he would make his statement within a week or ten days, and that we were most anxious to know whether or not a statement was going to be made or whether we should begin to think in terms of the second proposal which was contained in my letter of October 19th. I received a reply from the Prime Minister, dated November 28th, in which he told me that Mr. Howe was coming west and was to meet the Canadian Wheat Board, yesterday; that he will be in Saskatoon, tomorrow, to address the Saskatchewan Farmers' Union, and that he expects to be able to make a statement either when he is out west or as soon as he returns to the House of Commons.

That will bring members up to date as to what has been happening. I have no authority to make any statement or to try to anticipate what statement Mr. Howe will make either tomorrow or on his return to the House of Commons; but I think that, from the discussions which we have had, the correspondence we have had and the discussions with Mr. Gardiner, there seems to be every likelihood that farmers will be able in the not too distant future to go to the elevator to get an advance on any grain whether threshed or unthreshed, have the amount of the advance recorded in their permit books, and whenever they are able to deliver grain, whether it is from this crop or from the next crop, the first charge against that grain will be the amount of money which has been advanced. It should be pointed out this will be different from a loan – that there will be no interest, and, in all probability, it will be treated as an advance. Just as a farmer is given an advance for wheat which he delivers and which is put in an elevator, so it is thought that an advance can be given to him on grain which is in his bin or lying in his field.

The reason I am making this statement is because I would like the hon. members first of all, to know something of what is likely to happen, and to point out that, if an announcement is not forthcoming reasonably soon, or if when the announcement comes it does not seem to cover the field which we have reason to believe it will cover, we will then, of course, be under the necessity of moving to the second proposal of having loans made to farmers and guaranteed by the municipalities, the Provincial and the Federal Government. I thought members would be interested in knowing what the developments are, and what we expect is likely to happen in the course of the next few days.

**Mr. W.A. Tucker (Leader of the Opposition):** – Mr. Speaker, I am glad to hear that the Premier thinks the first proposal is the one that is likely to be followed, because it seemed to me that that was the better one, although I noted that the other proposal apparently had the support of some of the provincial bodies, including the Association of Rural Municipalities. As far as I was concerned, at the end of August I saw that the elevators were going to be so rapidly filled up that many people would not be able to deliver enough grain to pay their harvesting expenses. So I made representations to the Minister of Trade and Commerce, and also the Wheat Board, suggesting that the amount payable in respect of the 1950 crop should be paid at

the very earliest possible date. Also, because farmers would be having to store so much of their grain, and perhaps have to spend money in building granaries, that at least for this year and, perhaps, as a permanent policy, storage be paid to farmers who stored their own grain. Of course, at any time the Wheat Board required the grain to be delivered they could so declare and storage would cease being payable. It seemed to me that that was a better way to provide some of our storage than to have storage provided in the elevator systems, which is an expensive form of storage, to take care of a big problem. The crop might be delivered very quickly, every fall. This system of paying farmers who are able and willing to store some of their crop, so that others who have to deliver it at once may do so, also would ease up the pressure on the transportation system. A system of paying storage until the grain is required is something that I think is deserving of more support than it appears to have got thus far.

The other suggestion I made was that, pending delivery of the crop, 75 per cent of the initial payment on up to 10 bushels an acre, should be advanced and entered in the permit book, and repayable as the Premier suggested. About a month later, however, it became clear that many people would not get their grain harvested at all, and that the provision for advancing against grain threshed and undelivered alone would not help them. I then suggested to the Prime Minister that some system of perhaps an advance (to be endorsed on the permit books and repayable) on the basis of a certain minimum acreage per farmer – I suggested that as \$10 – so that every farmer would get enough to pay his harvesting expenses or to tide him over until he could harvest and market his crop, I suggested that that would take care of the person who had not been able to harvest his crop at all, that it was better than any system of loaning, because many people do not like to go to the banks when they have a good crop at home, to get an advance. It seemed to me that was a good way of doing it.

I was assured by the Prime Minister that he would study and keep in touch with the situation very carefully, and that he was very sympathetic to the feeling of the people in the west, because he had seen the wonderful crop that seemed to be in prospect when he was here on a visit; that he could understand the feelings the people had when it seemed endangered, and that I could assure anybody that they were very sympathetic to our situation and would do whatever the situation seemed to require.

I welcome the word of assurance from the Premier that his latest information bears that out with what seems to be a very rational solution of the situation – at least part of the solution is likely to come out of this situation. I do think that some thought should be given to this question of paying for farm storage until the Wheat Board requires grain to be delivered. It seems to me that that is a cheaper way of handling that matter. The way I suggested it could be handled was that, each month, the initial payment could be increased by the amount they were going to pay the farmer for storage. There is nothing very complicated about that. If the grain is delivered the Wheat Board would have to pay that to an elevator company for storage. I don't see any reason why, if the elevator companies cannot take it, don't require it and cannot sell it, the farmer should not get what it would cost to store it if he were able to deliver it to an elevator company. I think that is a partial solution to not only the storage problem, but the transportation problem. These problems are going to get worse as time goes on. There is going to be more and more tendency to try to deliver the crop in a dry year in about three or four

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weeks. Of course, if we are going to have to be in a position to take delivery of all that crop all at once, it is going to mean a tremendous expansion in our storage capacity in the west. That, of course, has ultimately got to be paid for by the farmers. So I think some suggestion like that should be considered.

I would like to assure the Premier in regard to this matter, if it seems that whatever is done does not seem to be adequate that, of course, we will also continue to do our part to see that whatever is necessary to tide our people over until they get their crop marketed is done. I am very glad the Federal Government is seemingly ready to go ahead and look after this thing without making it more complicated, as it would be if the municipalities and the province had to enter into some guarantee with the Federal Government.

## **SECOND READING**

### **Bill No. 4 – An Act respecting Allowances to Member of the Legislative Assembly for the Second Session of 1951**

**Premier Douglas:** – Mr. Speaker, I would like to move second reading of Bill No. 4 – An Act respecting Allowances to Members of the Legislative Assembly for the Second Session of 1951.

We were under the necessity of printing this Bill without knowing how long this Special Session was likely to be and, therefore, to make simply a rough guess as to what would be adequate compensation to the members for the time which they would have to spend away from their occupations or their businesses.

Frankly, we thought the Session would be longer than it has turned out to be. We seem to lack the loquaciousness and the volubility that usually characterizes the Saskatchewan session, and I for one certainly appreciate the expedition which all members have shown in order to get this legislation passed so that the agreements with Ottawa can be signed.

In view of the shortness of the Session I am going to move when we go into Committee if this motion is passed, for a reduction in the amount that was printed in the Bill. I would like to say just this, Mr. Speaker. Even though I am going to move that the amount be reduced, I hope the public generally will not get the wrong impression about a sessional indemnity for a special session. It is true that we will probably finish today and that we will have sat for three days; but some of the members left home a week ago yesterday; some of them will not get home until the end of the week. Those who are school teachers – and there are several – have had to hire substitutes for one or two weeks. Most of the members are at a good deal of personal expense and a good deal of expense in order to have someone take their place on the farm or in the school or in their place of business. For that reason I feel that a small indemnity is quite justifiable and is necessary. While I am going to move later to reduce, I do think that the members ought to be compensated for the additional expense to which they have been put in order to attend this Session and to attend to the business of the province. I, therefore, move second reading.

**Mr. Tucker:** – If we are going to pass second reading, we are going to pass it without knowing what the Premier intends to move to have inserted, and I think we should have some indication from him now as to what we are going to get.

**Premier:** – I was going to suggest that we cut the indemnity to \$150, and the expenses to \$75.

\* \*Note: No further records are available.