

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Eleventh Legislature
40th Day

Thursday, April 3, 1952

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

On the Orders of the Day

Hon. J.H. Sturdy (Minister of Social Welfare): — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to correct a statement contained in this morning's "Leader-Post" under the caption, "1,000 House Plan Mooted by Assembly." It occurs in the third paragraph, and should read:

"Mr. Sturdy included in the city of Regina share . . ."

It reads now:

"Mr. Sturdy said the city of Regina's share of responsibility would be the provision of local improvements . . ."

What I said, or intended to say, was: "included in the city of Regina's share of responsibility would be the provision of local improvements." Under the amended Act, a municipality is required to put up 10 per cent of the capital cost of any project, under Section 35, but the city may include in an agreed price on its improvements and any land assembly in the 10 per cent.

AGRICULTURAL PARITY PRICES

The House resumed the adjourned debate on the proposed motion of Mr. A.L.S. Brown (Bengough):

"That, in view of the fact that the International Wheat Agreement does not sufficiently protect the Canadian Wheat grower against variations in the international exchange and economic situation, this Assembly request the Federal Government

- (1) to adopt a policy designed to maintain the price of wheat to the Canadian farmer at parity level, and
- (2) apply the principle of orderly marketing and parity price to all agricultural products.

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Mr. A. Loptson (Saltcoats): — Mr. Speaker, the Resolution on the Order Paper is one with wide scope for discussion on the matter of marketing our basic commodity, and I had intended to give you a resume of what has been done for some time past, with respect to marketing and obtaining an orderly system of marketing. But in view of the lateness of the season, and the desire to get through with the Session, I am proposing to cut it short and give a brief resume of what actually has been done, and what I think should be done in the future, with respect to obtaining what I think is a fair return to our producer for their grain.

Much has been said about marketing our wheat, particularly during the last thirty years. There was a great deal of controversy many years before that. As a matter of fact, you will remember, Mr. Speaker, the trouble that grain growers had with marketing their wheat back in the early days, at about the turn of the century when farmers were entirely in the grip of the grain trade. They either had to take what they were offered in the way of price, and also by way of grade, or take their grain home. I remember as a boy, several times when it did not make much difference whether you had No. 1 hard, or whether you had No. 1 feed, or whatever they called it, the price was practically the same. So it was quite evident, in those days, that if the farmers did not do something to help themselves, they were going to be at the mercy of a combine. And there is where the farmers stepped in themselves; and around the turn of the century the Grain Growers' Association was established — I believe it was organized here in Saskatchewan in the territorial days. Probably the hon. member from Qu'Appelle-Wolseley (Mr. Dundas) will remember the movement that was made around Indian Head.

Well, that was the start of the fight for the farmer's right to get some justice in the way of justifiable return for his grain. That Grain Growers' Association fought, not only the grain trade, but they fought the Railway Company as well. They fought for the loading platform, and they fought for the right to load their grain on cars if they were not satisfied with the price at the elevators. That did not seem to satisfy the desire of the farmers. They still had to market it through the trade, even if it was sent in carloads by their Association, or individual farmers. So they decided then that they should have a handling agency of their own; and in about 1906, they organized what they called the "Grain Growers' Grain Company" which later became the "United Grain Growers' Company". That company was established by farmers entirely; and I believe that they tried a system of marketing outside of the trade, which was not very successful, and it almost crippled them. They found it necessary, then, to join in with the regular channels of trade, and they found it profitable to do that, because it was better to sell in that way than to sell it outside, through agencies of their own.

Then, around 1910, a group of farmers thought that this Grain Company was not serving the purpose; and the Grain Growers' Association prevailed upon the Government of the day, which was a Liberal Government in Saskatchewan, to assist them to set up another elevator system in opposition to the Grain Growers' Grain Company; and the Liberal Government at that time advanced 85 per cent of the cost of the creation of the Co-operative

Elevator System, and I think it is fair for me to say that the Co-operative Elevator System operated very successfully and satisfactorily as far as the producer was concerned. They closed the spread in the grain — that is the price that was paid between the different grades. They also closed up the spread between the farmer's load and the carload lots; and I think that Company has always been considered as being one of the most successful farm organizations up to the present time.

Then, in 1917 — I may say, up to that time, there was never any mention about Government interference or about Government assistance to the grain trade, or grain selling system, but in 1917, which was during the first World War, the Government of the day chose to put a grain board into operation and take over the grain, at least the wheat. That was the first, as far as I remember, of any government interference with the marketing of our wheat.

Now, I do not think for one minute, nor will anyone else ever think, that that Board was put there to protect the producer from getting too little for his wheat. I think it was set up to stop the wheat from going any higher than it was at that time. But in any event it functioned fairly satisfactorily to everybody, and it continued to operate until I think, the close of the grain year of 1920; and grain at that time had climbed to quite a satisfactory price.

Then they suddenly dropped it. They dropped the Board, and grain went back on the open market, with the result that the price started sliding. Many farmers were under the impression that, had the Board continued, they would have saved that break in the price. There are a great many conflicting opinions on that, however, and I believe, from information that we can gather, that it is very questionable whether the Board would have saved the price of grain at that time, for the real reason for it going down was that there was a large crop being grown in the European countries that were importing our grain. About 1923, I think, the price got down to \$1.04 per bushel from around \$2.70 or \$3.00.

As a result of that, many farmers got very, very dissatisfied. They got vindictive about the government not carrying on the Wheat Board, and so they put quite a lot of pressure on the government to reinstate the Board, through the Grain Growers' Association and through the Co-operative Elevators. I remember both co-operative companies did make representations to the government to try to get the Board reinstated. However, it was not done, so there was a group of men who were in the Grain Growers' Association that were more radically-minded than most of the organization, and they broke away from them, and started an organization by themselves. And that is when the Farmers' Union started. I think it was around the year 1921 when that organization was started, and I am accused, of course, of calling some of them "Reds", and I believe, fundamentally, that they were Reds — they were radicals. While there were many good sound men in the organization, still they were dominated by those who wanted action; and they meant well, I think. Well, then, the next problem was that since they could not get the government to take care of the marketing of the wheat, they should put up an organization whereby they could market it themselves; and then the pooling idea was created.

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The Farmers' Union in Saskatchewan were not the only ones that were working in that direction. They were doing it, also in Alberta; and I think I am right in saying that the Alberta farmers' organization went faster than the Farmers' Union in Saskatchewan did. One reason for that is, I believe, that the United Grain Growers took hold of the organization in Alberta, and they not only helped them financially, but they helped with their personnel, to organize the Pool in Alberta, with the result that they got started operating in 1923. In Saskatchewan, they were not quite so successful, and the reason for that was that there were so many farmers reluctant about following the radical movement of the Farmers' Union in Saskatchewan; and if it had not been for the Liberal Government in Saskatchewan taking hold of the organization, by loaning them \$45,000 which created confidence in the movement, it is doubtful whether the Saskatchewan Pool would have gone over otherwise.

Hon. Mr. Brockelbank: — What did "Charlie" Dunning do?

Mr. Loptson: — Charlie Dunning was the one that advanced the money . . .

Hon. Mr. Brockelbank: — What did he say?

Mr. Speaker: — Order!

Mr. Loptson: — The pooling principle was sound, and it is as sound today as it was then. The idea was to keep the bulk of the wheat off the market when the heavy deliveries were made in the fall, that the Pool would take in the bulk of the wheat — 50 per cent was what they were expected to get — and I believe that they had enough contract signers to deliver about 50 per cent of the wheat; and the idea was that the Pool would market so much every day, and at the end of the year, the producers would get the average daily price prevailing throughout the year.

In 1924, the Saskatchewan Pool had been formed, and they started operating. The Manitoba Pool started at the same time. The Pools formed a central selling agency, and it was responsible for selling the wheat to the buyers before the end of the crop year.

Well, the Pool was not very successful. The selling agency apparently was not successful in getting the average price for the producers. I happened to be a member of the Pool, and I was not a large producer at the time, but we never did receive what we thought was an average price; and I think it is fair to say that the selling agency came to that conclusion themselves, that they were not satisfied with the price that they were receiving. What system they adopted I am not prepared to say. Some say that they handled it outside the Grain Trade; some say that they sold some of it on the Grain Exchange, but they did not sell it at the right time; but whatever the factors were, the proof of the pudding is the one that we go by; and it is quite evident that the pools were not satisfied. So, in 1928 — and I think again in 1929 — when the international wheat conferences were being held (I believe it was 1928) when they first tried to establish an International Wheat Agreement, our delegates endeavoured to influence the other exporting nations to co-operate with them to set a price on the exportable surplus of wheat. That, Mr. Speaker, is when our trouble started.

Apparently as a result of that action, the importing countries got a little anxious about the possibility of being held-up on the price of wheat, and they went home and encouraged the home production of wheat so that they would not be quite so dependent on the exporting nations, with the result that Germany, Italy, France, and I think to some extent Belgium, did increase their production of wheat to a great extent. They had vineyards plowed up, and they had pastures plowed up; but the main difficulty started in 1929. In the year 1929 we had a small crop here in Canada, and I do not think that any hon. member who knows anything about what went on in 1929 will deny the fact that the Pool, or the selling agency, decided that they should get \$2 a bushel for their wheat that year. And they did not only let it be know overseas, in some instances, but they broadcast it over the air on several occasions in Western Canada, as the price of wheat was sliding down during the harvest, in 1929, that there was no justification for the drop, and consequently they were not going to sell wheat for less than \$2.00 a bushel.

Well, I want to say, Mr. Speaker, that if we are going to continue in the grain business, we as farmers have to be prepared for any competition, and I think that that is very well acceptable now; but the result of the holding policy of 1929 meant that we lost our market in Europe. We lost our market to the extent that the Pool's name in Great Britain was looked upon as something that was holding them up, and when the end of the crop year came, I remember the President, Mr. McPhail stating, in Yorkton, at a meeting that the Pool had offered wheat for as low as 25 cents below the market price (I do not know what market he was quoting), and he said, "We could get no takers."

Now, I want to say that both the United Grain Growers and the Co-operative Elevator Company advised against the selling policy of the Pool. They advised against it when the system was adopted; and in spite of that, they continued their socialistic system of marketing.

I will give you a personal experience that I had, in August, 1929. I happened to be in partnership with another man in a wheat crop, which we threshed that month, as we had a fairly early harvest, and delivered to the United Grain Growers in our town. He took a cash ticket for his wheat, and he got \$1.44 per bushel. I took my 80 cents (it was No. 1 Northern Wheat) which was the initial payment for mine. Yet, at the end of the crop year, which was then 1930, I get a bill for 16 cents over-payment, and he was never asked to return any of his. Well now, I say, Mr. Speaker, that here we had two co-operative organizations. We had the Grain Growers on one hand, adopting one system of selling; the central Pool selling agency on the other hand, using some other system of selling, and the difference in the price paid to the producer between the two was in the neighbourhood of about 80 cents a bushel — and the Pool went broke, and the other one was solvent. That is what made me wonder why we should be supporting the system that went broke, and broke the farmers, instead of the system that was successful.

I want to say to hon. gentlemen that I have a good reason to take issue with this new system of selling our grain.

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Now then, following this catastrophe of 1929, the Pool went bankrupt. They had lost their reserves; they owed the banks, and the Government had to come to their assistance to the tune of some \$23 million. They could not sell any wheat on the world market, so the Government of the day — the Federal Government which was a Conservative Government — set up a Board in 1930, I think, and took over the wheat. They allowed the Pool to function in the ordinary way, and they also allowed, I believe, the open market to function. In spite of that, as far as I know there was very little wheat that was marketed during the years 1930-31-32. I believe that the Board — Mr. McFarland was the head of it — attempted to put a floor under the wheat both to the consumer and to the producer, but it was not until 1935, when the Liberals got into power, that any real effort to get rid of the wheat was made. (I know my hon. friend shakes his head). Following that, Mr. Speaker, there was a real attempt to sell the wheat at whatever they could get for it.

The Board functioned from then until 1943, along with the open market. In 1943, the open market had risen — I do not know whether it was responsible for it or not; but the price of wheat had gone from a very low figure up to \$1.25. When it reached \$1.25, I presume the government of the day thought this was a fair return to the farmers. They took all the wheat over, and they have been marketing it ever since, and I do not need to tell you the story of what has happened from then until the present day.

Now, what we are interested in is what is going to happen in the future. We know now, from past experience, that by the effort of holding wheat off the market in order to get a higher price, it landed us in a disastrous position. We lost the market as a result of it. We will, therefore, have to make up our minds to sell wheat where there is wheat to be sold.

There has been a great deal of criticism and controversy over the method of selling wheat since the Government took it over in 1943. Under the long-term contract with the United Kingdom at \$1.55 for 320 million bushels, and \$2.00 a bushel for some 240 million bushels, many people think that they were not well paid. I do not think we were well paid, myself. However, the long-term contract may not be all bad, and I am not going to condemn it entirely; but as long as we have a central selling agency that handles all our product, it may be necessary to dispose of a certain large bulk of it by a long-term contract.

There are two things, Mr. Speaker, that the farmers must be satisfied with on a long-term contract; firstly, that they at least have a guaranteed market for whatever the contract calls for; secondly, they are going to get the lowest price that will prevail during the life of that contract. No government in Great Britain is going to contract for future delivery of a large volume of wheat, unless it is sure that it is going to save money by doing so, and I think it is fair to say that the British Food Minister has said, on more than one occasion, that if it had not been for the long-term contract that they made for wheat, bread would have cost the country a good deal more money. Well, if they saved a lot of money on the bulk purchase of wheat from Canada, then the producer must have contributed that much to the consumer in Great Britain. I think it is quite well known by everybody that that

was actually the case; and I venture to say that, in future, if we continue that policy we are going to have to be satisfied in doing so. The only redeeming feature of it is that, by losing on that contract, we may gain a certain prestige on the balance of the wheat that we sell on the open market.

I am not criticizing the long-term contract, but I do want all I can get for my wheat just the same as everybody else does. Consequently, I would not want to go into a long-term contract unless we get a fair price on it; but there is one thing that we must keep in mind, as producers of wheat, and that is that our price must not go beyond the level of where it pays the importer to raise his own wheat. We have to be satisfied to accept the price that we can produce it for, in order that the importing countries will buy our wheat in preference to raising it themselves.

Now, what is the solution? What shall we do in order to keep in the business of raising wheat and export it? I believe it is up to us here in Western Canada, and if, instead of raising so much talk about higher prices, we put more effort in cutting the cost of the production of wheat in order to meet competition in the world market, we would be doing ourselves a service and our country a service. We can do that in two ways, at least. We can do it by practical mechanization of our operations. We can do it by bringing a little scientific system in, to increase our yields per acre. We can also do it by improving our grades. But we can never stay in the business if we are going to insist on a price for our wheat that the world consumer will not pay.

I am not going to speak much longer on this particular Resolution. This is what I wanted to say. I had a two-hour speech on this question, but I am just giving you the highlights in order to cut it short, and I did not want to bring any political controversy into this thing. The Resolution says that in the international exchange we are not getting a good enough price, and I think I have answered that by saying that if we make a contract then we will have to stay by it. If we made a mistake then, I say, "Do not squeal about it." If we are not satisfied with the price we can get on a contract basis, then let us get back into the pooling system, which I think is our next best step. I question very much that, if the governments of foreign countries cease purchasing wheat in bulk, the wheat Board will do any better than the selling agency did. I think they will find themselves in a very similar position of having that wheat in the show-window, just as a farmer would find himself with a herd of cattle in the month of January, and running out of feed, and wanting to sell them to the cattle buyer. The cattle buyer would be sitting on the fence waiting until the farmer ran out of feed, and then he would buy the herd at his own price. If the Wheat Board has two or three hundred million bushels of wheat for sale all in one lump, they would probably find themselves in the same position; that buyers across the water would be waiting until they would find themselves in the position that they would have to throw it on the market. Consequently, it is my own opinion that the more you diversify the show-window so the buyer does not know who is going to sell tomorrow, or whether he is going to sell tomorrow or not; and in that way I believe you can get a better price.

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Now, I have said enough, but I am going to say this in conclusion, and I want to direct this to my hon. friend, about parity price. Much has been said about parity prices, but no one has ever said what parity price is. A parity price may be something that means you are going to raise the price of wheat and take the money out of the Treasury to make up the difference between the price you can sell it for, and what you think the producer should get for it. I assume that is the idea of it.

Now, if that is going to be the request of the farmers of Western Canada, what is going to be the result? The result would naturally be that the production of wheat is going to be lowered to the amount that can be sold on the open market at the highest price, and it is very questionable whether the farmers of Western Canada would be any better with \$2.00 a bushel confined to, say 10 bushels to the acre, or whether he would be better taking \$1.00 a bushel and be allowed to grow 30 bushels to the acre — I am assuming that holding the acreage down to what would produce the number of bushels would be the system followed. I think that is what you would find.

There is no public treasury that can pay western producers what the northern producers of wheat can make money at, and let the prairie farmer around Regina grow it wild (as he can do) and flood the market. We can produce grain here in volume that will almost wreck the Dominion Treasury if they are going to subsidize to any great extent per bushel. So it is quite evident that, if we are going to ask the Federal Government to subsidize wheat growers, they are going to have to cut down the bushelage that they would pay on, and probably the production would have to be cut down in a similar way.

So I say again, Mr. Speaker that the sooner we get down to earth and realize that we are going to have to meet the competition of the world with our wheat (and we must prepare ourselves for that, because it may not be very far off) and better it will be for us; and we must get busy and work out a system whereby we can produce that wheat and make money at a competitive price.

Hon. T.J. Bentley (Minister of Public Health): — Mr. Speaker, I did not really believe that, in this day and age, I would be subjected to another one of my hon. friend's speeches — precisely the kind that he made back in the dark ages of 1930 and 1931 at the schoolhouses and halls where I went to allay his opposition to the method of marketing grain, as he has exposed here today.

He gave a short review of the events leading up to the present time; and I want to point out one of his earlier errors not so much because the error itself is important but to indicate that his knowledge of the history is somewhat at fault, and therefore, his reasoning could also be considered somewhat at fault.

He gave a review of the history of the development of the Territorial Grain Growers' Association leading up to the formation of the Saskatchewan Grain Growers' Association, and from there to the Grain Growers'

Company, and eventually into the United Grain Growers' Association, which lead eventually to the marketing of grain on a commission basis, as an ordinary company did on the Grain Exchange, and operated an elevator company — true, supported by farmer capital in the form of share capital, but not on anything like a co-operative basis, based on any of the ideas of co-operative enterprise as we know them, today, but it was the best they knew at that time. I am not criticizing those.

His review went on to say that it was not until World War 1, and I think he gave the year (if I remember correctly) of 1917 as the year when the first Canadian Wheat Board was established. Well, that was his first major error. If he will read history he will find that actually what happened was that the gyrations of the grain trade at that time so disturbed the Government of Canada of that day, which was engaged in a war effort, that they themselves set up, in the first instance what was called “Board of Grain Supervisors”, who bought the grain at a fixed price. If I remember correctly it was \$2.22 or \$2.24 a bushel as the fixed price at that time . . .

Mr. Loptson: — I had all that in my speech, but I cut it out.

Hon. Mr. Bentley: — Well, I think we had better keep the history as reasonably straight as we can, Mr. Speaker, so I mention it. It was not until the year 1919 that the actual Canada Wheat Board first started to operate, for that crop year; and it only lasted until late in August of the following year, when, in spite of the requests of a great number of farmers of that day, through their more or less loose-knit organizations, the governments, both Provincial and Federal, failed to get together and agree that it would be better to continue the operations of the Canada Wheat Board, which was based differently than the Board of Supervisors in its operations.

The Board of Supervisors paid a specific price, and then their job was to sell that grain on behalf of Canada, delivering, principally, to Canada's allies in the war effort. The Canada Wheat Board which succeeded that was very similar to what followed, in the way of the Wheat Pool, in that they operated on an initial payment, with certain interim payments as the grain was sold, and a final payment, to those who had delivered grain to it.

Now, as I say, at the end of the operation of the Canada Wheat Board and the failure to get the Governments to continue it, or a similar institution, there was brought into being in this province what was called the Farmers' Union of that day, which preceded the United Farmers of Canada (Saskatchewan Section) and the various other provincial sectional United Farmers. At that point again, I want to mention what I think is an error of history, when my hon. friend said that these were dominated by “Reds”. Of course, if you go back two or three hundred years in English history, you will find that those who demanded parliamentary representation were called “Reds” too; it is a name that has been used by a great many people for a great many centuries to describe somebody who believes you can improve the established order of things. Anybody can call anybody else a “Red” to point out that he disagrees with the established order of things, and wants to change it. Now on that basis, I suppose it is justified to call some of the original promoters, who eventually turned out to be some of the chief executives of the first Farmers' Union, as “Reds”.

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They were described then as something undesirable, which was the implication in his tone (although he did not say the exact words), and I think it is very unfair. These men were farmers who were intensely interested in the economic life of farmers, and these students of history were fearful of what would happen after World War I if there was not some orderly marketing kept in existence. And so, when they were unable to convince Governments that the continuation of the Canada Wheat Board would be a good thing, these people decided, "Well, if we cannot get the Government to do it, let us do it ourselves." And so we saw the Alberta farmers, we saw the Saskatchewan farmers, and we saw the Manitoba farmers all organizing themselves with this end in view; and not exactly simultaneously but nearly so. Within a year or so, of each other they had all established a farmer-owned institution which operated in the same way as the Canada Wheat Board; that was by paying an initial payment, having the grain delivered to its pool, and then selling that in an orderly way through whatever channels offered themselves throughout the year, so that they would not have those low prices for grain when there was a heavy delivery of grain on the market, and corresponding rises when the grain was out of the most of the farmer's hands and in the hands of some of the other owners who were able to take advantage of the improvement in price.

That was the setting up of the Wheat Pool. A person could spend a long time, Mr. Speaker, going through all the history of the early Wheat Pools from the time they started in 1923-24 until the time they got into the elevator business in an extensive way in 1926 and on to 1929 or 1930, when the difficulties that they encountered gave them some opportunity to study the experience of those years and to look forward to correcting those difficulties.

The Hon. member for Saltcoats leads us up to the year 1929, at the time when he described his personal experience, as compared with his partner in business, where he himself had delivered to the Wheat Pool, and taken his \$1.00 initial payment (which would be about 80 cents at delivery as he pointed out, and I expect that is the right figure there), and the amount that his partner got by selling his on the open market. He forgot to mention that the very fact that the western Wheat Pools were, at that time handling about 50 per cent of the western crop in the Pool — not through Pool elevators because they did not have enough, but in their Wheat Pool, and holding the great bulk of it off the speculative market and marketing it in an orderly way, a great deal of it directly to agencies set up in England and France and Germany and Spain and Belgium, and sub-agents in some of the other European countries; but that grain was not finding its way on to the speculative market in Winnipeg which is called the Winnipeg Grain Exchange, thereby relieving it of the carrying of that load under speculative channels.

The member for Saltcoats must know that. Every member who has been interested and taken an active interest and wants to know about the history of grain trading, does know that these things are facts; and they were established by much of the evidence that was given before some succeeding Commissions that investigated the grain trade. For instance, we found in one of the Turgeon Commission reports, when they were examining the grain trade business,

they were examining some of the banks, and the banks were asked a question — now I am not a lawyer so I will not put it in the way a cross-examiner would do in court, but everybody will know how it would be there, when I say it in my plain old way — “Do you finance the Elevator Companies — that is, the companies that buy grain from the farmers?” And they said, “Yes.” “On what basis do you finance them?” The answer was, “On the understanding that whatever they buy, today at the market price, they put on the market tomorrow morning.” There was no speculation. The banks themselves would not allow speculation, but they did admit that as long as there were a few other farmers, blacksmiths, stenographers, millionaires, every type of creature in the world who like to do a bit of gambling or speculating, and were willing to go into that Grain Exchange and buy futures, and by the virtue of buying those futures, were able to establish what they called ‘a level of trading grain’ according to the number of speculators in the field at any one time, that would be their basis for lending money; but the grain companies they lent the money to must not speculate in grain. Every night every elevator agent in the country had to wire his company of his purchases of all kinds of grain on that particular day, and in the morning that was assembled at the elevator company’s head office and offered on the market at the opening price. Everybody knows those things.

Now, when you take half that grain off, and take that half and dispose of it in an orderly marketing system, Mr. Speaker, then obviously you relieve the futures market of the necessity of carrying that through the speculative channels. The result is less grain is offered, more people buying, because there are more buyers than there are sellers as a rule in the speculative game of grain trade in those days, and the result was that the price went up, and so it was not unnatural that his partner got \$1.47 for his wheat, whereas he took his initial payment.

Now, Mr. Speaker, in the fall of 1929, everybody knows what happened at that time. Everybody knows that in that year there was a world-wide depression. Those of us that are called Socialists, of course, by my friend, have blamed the advent of that depression on the operations of capitalism, and I still believe it. However, there may be another belief which is just as honest as mine is, and I will give him credit for that belief; but the fact remains that it took place all over — the stock markets as well as grain markets went down. Everything went to pieces as a result, and there were not any little people — thousands of them across the country — with a few dollars to speculate. They had lost their jobs, they had lost their little businesses, they were on the breadline, they had no surpluses, so there was no money to speculate in grain. The result was that even his \$1.47 in the fall of 1929, went away down.

Mr. Loptson: — I would like to ask you a question. I had that all out. Can you account for Germany having \$2.40?

Hon. Mr. Bentley: — Yes, I am going to account for that in a moment.

Mr. Loptson: — And France \$2.00?

Hon. Mr. Bentley: — I am not going to overlook that part of it. That happened a few years previous to this, and I will come back to it in a minute or two. I am taking us now, through the Canada grain trade up to that particular time. If you like, we will go back now to the point the member has just raised.

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He talks about the price of wheat in France, which, if I remember correctly, was up around, under a government subsidy, of something over \$2.40 a bushel. Initially, I believe, it was over \$3.00. In Germany, I think, if I remember the figures right, and I am speaking from memory now, it was in the neighbourhood of \$2.89. That started to take place around about 1924 and 1925, when because of the depredations of World War I in those countries, an attempt was being made by those countries, because of their experiences during the war, to make themselves self-sufficient in food supplies so that if war broke out again they would not be caught in a jam, and have to depend on outside countries for their supplies of wheat particularly, and other types of food. So those governments heavily subsidized for the production of wheat during those years, which in itself, added to what was called a surplus, in those times.

Again let me remind my hon. friend in this House that in those days over 20 years ago, people regarded as surplus something that was undesirable. I can remember myself, in the early 'thirties, when a Secretary of Agriculture, in the United States . . .

Mr. Loptson: — Will you let me ask you one other question?

Hon. Mr. Bentley: — Well, don't ask too many. I will answer a few.

Mr. Loptson: — Can you tell me why Great Britain would not buy a bushel of wheat from Canada, and went over to Russia and bought it.

Hon. Mr. Bentley: — Yes, I will tell you about that too . . .

Mr. Loptson: — Where she had never bought any wheat before?

Hon. Mr. Bentley: — I will touch on many of these things, Mr. Speaker, as I go along. I do not want to break the thread of it to be interrupted with questions like that. In the first place it is not correct that they would not buy a bushel of wheat; they bought a lot of Canadian wheat even at that time. His statement is incorrect there. When we come back to why they did not buy some wheat we can go into that.

I was saying why the European countries subsidized the raising of wheat in their countries during the years 1924 to 1929. It was because they were afraid of what might happen if another world war broke out; and just the same then as it is today, nobody was sure that the armistice which had been signed on November 11, 1918 was going to last, or that the peace treaties were actually going to last. We had heard one German emperor say that treaties were a "scrap of paper" and nobody was sure that somebody else would not say the same thing at some later date when it suited them to tear one up. So we had these countries doing this job for that purpose — not because they were afraid of the price of Canadian wheat, not because they were disturbed because the farmers of Western Canada organized for a decent price for their wheat, but because they were afraid any nation who produced wheat might, some day in the future, be at war with them and they would not have food supplies as there would be a blockade of their country again which would have been the case if we had been at war with them again, and rightly so. That was the reason why they subsidized the production of wheat.

We come now to the year 1929 when the depression happened. The speculative market then collapsed as well as all other markets, because people were not buying. An attempt at that time, was made to get the wheat-producing countries of the world together with the wheat-importing countries of the world in some kind of an international wheat agreement. You will remember there was a world secretariat set up, and Andrew Cairns was the secretary of it; and there was some kind of agreement made, but Argentina refused to come into it. Now Argentina, at that time, produced a wheat called Rosafe which was about equal in milling value (or nearly so) to what was called at that time, "Manitoba 3 Northern Wheat", and Argentine wheat was owned and produced not by independent farmers such as we know them here in Saskatchewan, working on half or three-quarter sections of land, but owned by great big landlords who did not care what conditions of labour their peons or serfs worked under their farms, but they gathered their wheat together and they put it aboard ships and sent it to the markets, and they had to take (once they put it on board ship and started it across the Atlantic Ocean) whatever price was given for that when it landed at the importing ports of Europe. They continued to do this because they got plenty from it, even though it reduced their particular farm labourers to a very low standard of living, and Argentina was offering wheat very much cheaper, and Britain, at that time, the same as anybody else, my friend or I, would buy if we could get the quality in the cheapest market.

Mr. Korchinski: — What about Russia?

Hon. Mr. Bentley: — Russia at no time, from the time there is any record of the grain trade (my friend from Redberry, remember this!) has constituted more than 2 per cent of the export grain market of the world. These are statements of fact I am giving you. At no time did Russia constitute larger than 2 per cent of the grain market of the world. The few million bushels that Russia may have sold did not disturb the market — that is, it did not disturb the actual market though it may have disturbed a few people who were in the market for speculative prices. It may have disturbed the London Corn Exchange. It may have disturbed the Baltic Exchange. It may have given the owners of Continental Grain some reason for saying that they were going to force down the price and 'bear' the market. It might have had that effect, Mr. Speaker, but it had no effect on the actual quantity of grain.

The very fact that it should have had no effect on the actual quantity of grain, or the need for grain, was the reason why the organized farmers of this country decided that they should make a further effort to have government interference in the marketing of grain. Now why? and this is a very important question. No matter how well you voluntarily organize to market any quantity that has to go outside the borders of Canada, you must run into the regulations and the various arrangements in the trade treaties, tariffs and other things that are set up by the Federal Government of Canada. (I am not complaining about that; that is the Government that should set those up). But knowing that that is there, and knowing that all marketing is done through the Department of Trade and Commerce, the people of this country who organized the farmers' movement realized that, unless the same agency that made overseas agreements and other things, arranged for the sale of our surplus quantities of

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then no local organization, no matter how large the locality might be, was possibly going to be able to have the effect that it should have had in stabilizing the market for the western farmer.

Let us now go into 1930 and see what some of the history was there. After my friend got his initial payment, which he eventually found out was even too high, and he got a bill for \$16 over-payment, he says that “then the Pools went broke” and he says that the Grain Trade continued to flourish. My hon. friend must know that, at that time, a great many private grain companies went out of existence and were swallowed up by the bigger ones. There was no bigger pool organizations to swallow ours up — our Western Canadian pools. They did face a financial crisis — \$20 million in the three provinces; nearly \$14 million in Saskatchewan.

Mr. Lopton: — The Grain Growers did not go broke and they were a co-operative organization.

Hon. Mr. Bentley: — The Grain Growers, Mr. Speaker, were never a co-operative organization in the sense that we call others that. They did not pay back any dividends until recently, under the income war tax regulations of the Federal Government in the last few years. They paid interest on share capital, as the old Co-op Elevator did. They paid good interest, too. I am not complaining, as they were a good outfit in their day, but they were not progressive. They could not march with the times. They were a share capital company, Mr. Speaker, with dividends paid on the basis of the amount of money invested — not on the deliveries to the institution.

Now then we come to 1930. These things were recognized, so the western farmers again went back (as they had in the early ‘twenties) to the Federal Government, and they said, “We still believe in orderly marketing, but we believe (on the basis that I have just argued a few minutes ago) that it is the responsibility of the Federal Government. There will be times when we have big crops on these prairies; there will be other times when we will have crops that are not so big; there will be other times when we will have crops that are not so big; there will be other times when we will have crops that are poor. Now we believe that there should be some kind of insurance against the years when we have poor crops. There should be price insurance, marketing insurance, so that there will be an orderly system of marketing our grain throughout the years, based on the trade and commerce policies of the Government of Canada, and we ask you again.”

At that time the then Prime Minister, Mr. Bennett, made a statement when he was requested in that day by the United Farmers of Canada, which had come into being by an amalgamation of the first Farmers’ Union and the Grain Growers’ Grain Company, and at a convention of theirs when they asked for a floor price, as the first way for the Government to interfere, of 70 cents a bushel — a very modest price they asked for at that time — that Prime Minister said that as long as he was Prime Minister of Canada there would be no interference in the private grain trade. His belief was reiterated by his Liberal counterparts, and neither of them believed — Mr. Gardiner did not believe, Mr. Bennett did not believe, and none of the people who surrounded them in their various political parties believed, at that time, that there should be any government

interference in the private marketing of grain, that is the grain trade should continue to flourish.

These are matters of history. However, the farmers of Western Canada were not satisfied with that reply, Mr. Speaker, and they continued to press for some form of orderly marketing. Now what happened? Mr. Bennett eventually said, "All right, we will try and do something." Why? Because by the fall of 1932 things had got so bad that, in that year, early in December, the price of wheat had reached the lowest point it had ever reached in 400 years of grain trade. My friend can remember that . . .

Mr. Loptson: — Sure, I know the reason why, too.

Hon. Mr. Bentley: — That was on the speculative market. The Pools had ceased to operate as pools. They carried on a voluntary pool for a year or two, but in the main their elevators were then operating as they do now, just the same as any other elevator company.

Mr. Loptson: — That is when Great Britain was getting wheat from Russia.

Hon. Mr. Bentley: — Great Britain was getting very little wheat from Russia at that time. As I pointed out, Russia only, at any time, constituted 2 per cent of the grain market — and that for a very short time.

Mr. Loptson: — 90 million bushels.

Hon. Mr. Bentley: — That was 2 per cent of the international grain market. It did not amount to very much. It did not amount to enough to cause the price of grain to go down. The reason the price of grain went down, Mr. Speaker — and these gentlemen opposite, if they were not so imbued with the idea of the profit system and were more imbued with the idea of a full stomach, would know the reason that the price of grain went down was not because Russia came into the grain market, but because hordes of people in this country and in the country to the south of us, as well as the countries of Europe and Asia, had nothing in their pockets, and "no effective demand" was the expression used for grain. There was a "belly" demand, but no "effective" demand backed by a pocketbook. That is why the price of grain went down. Now some of them over there shake their heads. My young friend from Estevan (Mr. McCormack) does that; but he is too young to remember about it; and I expect likely he had a good father and mother, and his stomach was full, but he did not know anything about it . . .

Mr. McCormack: — My head was not empty though!

Hon. Mr. Bentley: — My friend from Saltcoats knows this story well, whether he agrees with the way I am relating it or not. He knows that the reason why the price of grain went down was because people did not have money enough to buy it.

Mr. Loptson: — I have that all here. I was going to give it but . . .

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Hon. Mr. Bentley: — Yes, I know, but you did not want to give those parts that did not suit the purpose you wanted them to, and that is to get back to the open market system.

Now then, Mr. Speaker, during that period, the Western Wheat Pools as well as other farm organizations, were pressing the Federal Government for some relief from the terrible conditions which were existing at that time. Finally the Federal Government said, “What we will do instead of giving you a floor price or instead of setting up the marketing board that you want, we will establish an agency in Winnipeg which will go into the open market on the Grain Exchange, and on the days when the quotations are so low because there are heavy offerings of grain, then this agency of the Government bill, backed by taxpayers’ money — the funds of Canada — take the place of the absent speculator who is broke and cannot speculate any more, and we will buy up the futures of the grain that is offered on the market each morning, till we stabilize that price at a figure that is not quite as low as it was in December.”

That was the institution of the stabilization operations. Now my friend across here, in the course of his talk, cast some doubts on the ethics of the Central Selling Agency and blamed all our trouble on the fact that the three Pools had got together and used a central selling agency for their orderly marketing system. Mr. Bennett considered it wise enough, Mr. Speaker, to use that central selling agency as a stabilizer of the open market system from 1932 on . . .

Mr. Loptson: — It failed with him, too.

Hon. Mr. Bentley: — Just a minute, Mr. Speaker, it did not fail completely; it helped to stabilize the market. I gave assurance that the things the farmers of Western Canada were asking for had validity behind them. It showed that some government interference or assistance whichever name you want to give it — I call it assistance, the grain trade probably call it interference; that some government assistance or help in that thing was worthwhile from the farmers’ point of view, and so they renewed their efforts for a Canada Wheat Board. Mr. Bennett resisted. He did not want to interfere with private trading, but he did continue his stabilization operations with the result that there was a slight improvement in the price of grain, coming up, I believe, in 1933 and 1934, to as high as 67, 73 and I believe at one point it reached about 81 cents, if I remember correctly. It was somewhere around that figure by 1934. But still the pressure was on for orderly marketing under government control.

Then again my friend said that the Liberal Government was the first one to introduce the present orderly system. That is completely erroneous as far as history is concerned. Mr. Bennett brought in the first Wheat Board Act through the then Minister of Agriculture.

Mr. Loptson: — Mr. Speaker, on a point of privilege, I did not say that.

Hon. Mr. Bentley: — That is the way I understood you.

Mr. Loptson: — When the Liberal Government came into power in 1935 they made a real honest effort to get rid of the surplus . . .

Hon. Mr. Bentley: — I will accept the correction, Mr. Speaker.

Mr. Loptson: — Then it stabilized it . . .

Hon. Mr. Bentley: — He has had his point of privilege; I will accept his correction.

He said then (if I have him right, this time) that when the Liberal Government was elected in November of 1935 that Liberal Government then made the first honest effort to make some use of the Wheat Board in the interests of the farmer. Is that it?

Mr. Loptson: — To get rid of the surplus that was piling up all the time.

Hon. Mr. Bentley: — I will come to surpluses, too, in a little while. Anyway, what he meant is evident to everybody here. I want to point out that, in the early session of Parliament of 1935, the Tory Government brought in the Wheat Board Act. It was debated, and some very important features were eliminated by virtue of Liberal opposition, which I disagree with yet, and many people in this western country disagree with it.

Mr. Loptson: — I do not doubt it.

Hon. Mr. Bentley: — I know my friend agrees with it. He would have eliminated the Act if he had had his way. I agree that he would have done that. I do not like what he would have done, but I will give him credit for having an honest conviction if he thought that was the right thing to do. He would still like to do it, Mr. Speaker, and some of his friends around him would like to see it done also, I believe. However . . .

Mr. Tucker: — Mr. Speaker, my hon. friend has no right to make suggestions like that. There has been nothing in my record in parliament at any time that would indicate that I have been against the Wheat Board or the marketing system . . .

Mr. Speaker: — Order! The hon. member knows he was not referred to.

Mr. Tucker: — Well, he said, “some of his friends around him are in favour of that.” He has no right to make that implication.

Hon. Mr. Bentley: — Mr. Speaker, there were a couple of interjections from the member for Redberry (Mr. Korchinski) and one or two others that I felt indicated that they were supporting the hon. member for Saltcoats. It was them I referred to. If they do not believe that, I will accept their word that they do not believe what I have said; if they say they do not believe what he was trying to promote, I will take their word for it. I never mentioned the Leader of the Opposition, and I have no intention, I assure you, because I know your record on this.

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When that Wheat Board was brought in and finally debated, and some very important sections were removed from it, it was finally put into being. Now then, here is an important part of history that this House should remember, and I am going to remind you of it. The Conservative Government of Canada at that time, under Mr. Bennett had acceded to the request of the western farmers that a Wheat Board be brought in, and that the Wheat Board would be accompanied by an advisory committee of seven members, four of whom would be representatives of farmer organizations — a very important feature of that Wheat Board; and I want that to be remembered, because I want to mention that again when I go on to the next part of the story I am telling.

That Government was defeated — pardon me, we will go back again. The Act was passed; it came into being, and the 1935 crop was being marketed through the Wheat Board. The next question was the question of price. Now the farmers of Western Canada at that time were very modest. They asked through their advisers on the Advisory Committee for a price of 95 cents a bushel, basis 1 Northern, Fort William — very modest even for the prices of those days. Other people were mentioning all kinds of prices. Now people were blaming this one for saying it could be done for 40 cents a bushel — I believe that Mr. Richardson, who was in the grain business then, did have a farm, and I believe he did mention that he could produce wheat for 40 cents a bushel on his farm. Others said one thing and another, and I am not going to blame anybody as to who was to blame for promoting the low price; but undoubtedly those who represented the grain traders on the Advisory Board were more interested in a low price than a high price, and they were promoting the idea of 60 cents a bushel, basis 1 Northern, as the initial payment for the Wheat Board. A compromise was finally struck after quite a struggle, and the payment was established at 87½ cents a bushel, 7½ cents lower than the western farmers' organizations had requested through their various channels of making requests.

Mr. John I. McFarland, recognized as an authority in the grain trade, who had, in the early 'thirties, been placed as Manager of the Central Selling Agency of the three Wheat Pools in Winnipeg, and who was the actual head of the stabilization operations operated by the Bennett Government of that day, in the early 'thirties, that I referred to a while ago, was made Chairman of the new Wheat Board, early in 1935 after the Act was passed; and under him the operation started.

In November of that year the Conservative Government was defeated and a Liberal Government took its place, almost immediately McFarland was fired and Jim Murray was put in his place — a known opponent of all systems of orderly marketing, who had never gone on record at any time in his life as believing in anything but the open speculative market. That is how anxious the Liberal Government was to make the Wheat Board operate. And also, the Advisory Committee of seven was disbanded. I wish I had the record here, but I gave, I believe, last year, a list of the people who were on the new Committee they set up. But that was not until later, even. The Advisory Committee was disbanded by the Liberal Government, and they had what they called a Wheat Committee of the Cabinet, composed of Mr. Euler, Mr. Crerar, (who is now Senator Crerar) — I have just forgotten who the others were, but at any rate they were all members of the Cabinet.

Now, Mr. Speaker, what kind of an advisory committee would that be in the interests of the farmers? How difficult it is for anyone from Western Canada to go down and find one Cabinet Minister down there in a busy time, let alone four of them together, to present his case, to argue the case for the western wheat growers. That is why the Advisory Committee was needed, so they could be in constant touch with the farm organizations as well as those that represented the trade, to be in constant touch with their organizations, and a merging of the ideas and the eventual compromise struck would be somewhere near the agreement between the two. But here was that committee disbanded by the Liberal Government under their first axe, and they put Mr. Murray in as chairman of the Wheat Board. And a committee from the Cabinet was set up, who had no close relationship or any close touch with any of our farm organizations — and then he says, “They succeeded in getting rid of the surpluses.” Mr. Speaker, one of the things we never wanted in this country was to get rid of surpluses. That is why we want orderly marketing. You can get rid of surpluses like Brazil got rid of coffee. You can get rid of surpluses like some parts of Newfoundland get rid of fish, when there are too many of them. You can get rid of them like some countries get rid of hogs. You can get rid of anything you want to dump in the ocean or blow up, Mr. Speaker. But the bulk of the farmers of these farm organizations want to grow wheat and the other farm products, and they want to think that, having gone to the trouble of growing it, they get paid enough to live on, and that somebody somewhere else is going to get their stomachs filled by virtue of that food.

It was not a question of getting rid of wheat, it was a question of seeing that it got into the right hands, and that a decent price was paid to the fellow who produced it; and they were pretty modest in their request as far as price was concerned. That is the story up to that point, Mr. Speaker.

Now, let us go on a little bit further. During 1936 and up until the fall of 1937, we had some so-called surpluses of wheat. They were hanging over our heads and everybody was scared because nobody knew how to find the way to get it into empty stomachs. The result is that our Liberal speakers and the proponents of the private trade were saying that the orderly marketing system could not get rid of it, and the Liberal Government said, “We will do it under the Wheat Board.” And they did. They established a floor price. They established a floor price under the Wheat Board, and the open market stayed above that — they were still operating at that time. Then the Wheat Board did not accept any deliveries, but the floor price was not a protection for the farmers. The result was that the open market stayed a couple of cents higher most of the time throughout that period, and they were saying, “Get rid of this wheat at any old price! Get rid of it as soon as we can so we will have empty bins!” and that was their story: “The sooner we have empty bins in this country the sooner we will get a good price for wheat.”

Well, Mr. Speaker, nature took care of that in 1937. Nature took care of it by not providing a crop; 36 million bushels in 1937 went on the market. That is all we marketed in that year — between 35 and 36 million bushels of grain. So the bins were empty. Every farmer had to sweep his bins

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and every elevator company had to sweep their bins to get it down to what market there was existing at that time, and the surplus had disappeared, and they were right in their prediction, Mr. Speaker, absolutely right. No provision was made by either the Provincial Liberal Government, or the Federal Liberal Government to withhold any supplies for seed or feed in the event of this thing happening. So we went into 1937 with our bins swept clean, no wheat hardly anywhere in the country, and in the following year when farmers needed it for seed, the price had gone up to \$1.45 per bushel, which meant that the municipalities had to borrow with Provincial and Federal Government guarantees, in order to supply seed for their people, and it was shipped in from other countries to get seed wheat to put in the crop of 1938. Their prediction came true — “Sweep the bins and the price will go up” — and it did ! But who got the disadvantage of the increased price? The farmer who had to buy it back for seed in the spring of 1938.

What was the cry then? We heard the same old cry then. What this country needs is a good crop. We suffered from drought. We had had some bad years, but 1937 was the drought; so now the story goes. “Now we do not want empty bins, we want full bins. Let us get a crop again. When we get a crop and have some wheat in our bins, we will be prosperous again.” Well, nature came to our rescue in the fall of 1938 and we produced a pretty fair crop — not a big one, but a fair crop. What was the holler then? The price had been reduced by the Wheat Board by that time from 87½ to 80 cents a bushel, and they said 80 cents a bushel was too high a price to be paid to the farmers for the wheat for that year; and the following spring, a few months before war broke out, we heard the cry coming from Ottawa, spread by the present Minister of Agriculture, who was then the Minister of Agriculture, telling the farmers of Western Canada that the country could no longer stand a subsidized price of 80 cents a bushel, and the initial payment through the Wheat Board should be reduced to 60 cents a bushel. Again, a storm of protest went up from the farmers of Western Canada, and again there were meetings with the Federal Government and the farm organizations, and a compromise was struck and the price was not reduced to 60 cents, but was reduced to 70 cents a bushel, through the Wheat Board, and it stayed that way until a delegation went down to Ottawa and finally got it raised to 90 cents a bushel when they asked for \$1.00 in 1942.

That, Mr. Speaker, is just a brief history of some of the things, and I could, as I say, spend a lot of time. However, the hon. member criticizes the orderly market, because he says it has done more harm than good.

Mr. Loptson: — Mr. Speaker, that is absolutely untrue.

Hon. Mr. Bentley: — All right, go ahead!

Mr. Loptson: — I made the distinct point that I believed in the orderly marketing. Now there is no use in trying to make capital out of that.

Hon. Mr. Bentley: — Mr. Speaker, if I remember correctly, the hon. member said that we should not have a central selling agency and that the operations of the central selling agency, and probably the Wheat Board, did more harm than good, but he would believe in getting back to the provincial pools,

is that right?

Mr. Loptson: — That is right.

Hon. Mr. Bentley: — Which, Mr. Speaker, is not an orderly marketing system.

Mr. Loptson: — It certainly is, each centre that had a pool would handle their grain in an orderly marketing way.

Hon. Mr. Bentley: — Mr. Speaker, anybody who thinks at all in the interests of the farmers of this country knows very well that no province in the wheat-producing business can possibly organize and work through . . .

Mr. Loptson: — Mr. Speaker, might I draw your attention to the Co-ops in the United States that are operating in that way, very successfully.

Hon. Mr. Bentley: — With a very hearty subsidization on the part of the Federal Government, and they have had it for years. I say, Mr. Speaker, that he is against orderly marketing as I understand it, because orderly marketing, as far as Canada is concerned, has got to be the marketing of Canada's surplus wheat crop that goes outside the borders . . .

Mr. Loptson: — That is what you understand.

Hon. Mr. Bentley: — Not the little attempt that a provincial organization, no matter how earnest and energetic it might work, because it could not have the results. It has no influence whatsoever on the trade policies of the Government of Canada. Therefore, it could not introduce an orderly marketing system for the benefit of all wheat producers.

Mr. Loptson: — Well, that is your opinion.

Hon. Mr. Bentley: — If we were like the United States and consumed something over 80 per cent of our wheat at home, there might be some validity to his argument; but as we export about 80 per cent of our wheat, or somewhere in that neighbourhood, in many years and sometimes I believe it is a higher percentage, then it is obvious to anybody that it is utterly impossible to have an orderly marketing system based on the operations of one provincial pool. So even though he might not think that I quoted him correctly, I still say, Mr. Speaker, that there is all the truth in the world in my statement that he does not believe in what I call 'orderly marketing'.

Now then, he also mentioned parity prices, and he went on to give his reasons why he believed parity prices are difficult to establish, if at all. I want to say this; I worked among farmers, lived among them, for a long time. I do not believe I ever heard a farmer in Saskatchewan who did not agree with free marketing, fundamental, in principle. The reasons that gave rise to all these things, Mr. Speaker, were because, since the time history began in these western provinces, we have been subjected to tariffs, of one kind or another and, for many years, in the face of that, were compelled to sell our products on an open market with no protection whatsoever.

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If the Government of Canada would drop every single tariff barrier and allow every single thing raised in another country to come in here of its own free will and find its price level on the basis of its quality and usefulness to the people here, then I do not believe we would have any holler from the farmers of Western Canada about orderly marketing. They would take their chances in the competitive world. But the cards were stacked against them, and the only answer they had was to ask the same Government that put the obstacles against their getting outside goods at a competitive price, to give them protection, when shipping their goods out, against the competition of an outside market. And as long as it remains the policy of Canada to build up tariff barriers, no matter what the argument for their justification might be — and they may be good ones, I expect likely fellows could bring forward some very potent and what would appear to be valid arguments for continuing tariff protection though I do not agree with any I have heard yet, but that does not say that I have not got an open mind, but it would take quite a bit to penetrate it along those lines . . .

Mr. Tucker: — It sure would!

Hon. Mr. Bentley: — Nevertheless, as long as we have those things, as long as we have those barriers against our right to buy outside on free markets and bring things in, then I say we have to have some protection.

Now then, parity means just this: a price for grain that will pay the cost of producing that grain, and something left over for the fellow that raises the grain to live on and keep his family, and the same measure of comfort and security as any other member of society can enjoy. It does not mean that you have to take the least economic unit in the country and use that as your criterion. It does not mean that you have to take the most efficient and biggest farm operation in the country, and use that as your criterion. But it can be established, and has been established on more than one occasion by people like Professor E.C. Hope, away back in the 'twenties, what the cost of producing grain is. It can be established by people like Mr. Denike at the Experimental farm. It can be established by other farm economists what it costs to produce a bushel of grain under average conditions. The price of grain should be what that costs, plus a decent salary or wage or income or whatever name you want to give it, for the man who operates the farm so that he can carry on his living operation the same as any other person.

That can be done, Mr. Speaker. That can be done by a government that wants to have it done. But it cannot be done, Mr. Speaker, if any group of people at all are going to be dominated, or even impressed or influenced, by the type of argument and the somewhat misrepresentation of history of the grain trade in this country, that the hon. member from Saltcoats gave this afternoon. I might say I was a bit surprised. I thought that after 20 years since I have first known the hon. gentleman (I do not dislike him, he is a nice guy;) but he does not believe what I believe. I think I am right, and events, I think, have proven that I am right. And I think his exposition of the history, and the inference that he drew from that exposition trying to infer that the methods that were operated in the past did more harm than good; I do not think they were calculated to do the interests of Western Canada and the interests of the western wheat grower a great deal of good.

I say, Mr. Speaker, that the purpose of this Resolution is a good one. It says; "That, in view of the fact that the International Wheat Agreement does not sufficiently protect the Canadian wheat grower against variations in the international exchange, and economic situation, this Assembly request the Federal Government

(1) to adopt a policy designed to maintain the price of wheat to the Canadian farmer at a parity level, and

(2) apply the principle of orderly marketing and parity price to all agricultural products.

Now, I do not think many people here will oppose a Wheat Board, and if we are going to have a Wheat Board, it must be a national Wheat Board, so, therefore, we have to request the Federal Government to adopt a policy designed to maintain the price of wheat to the Canadian farmer at a parity level (and I have described what I believe they believe is a parity level), and apply the principle of orderly marketing and parity price to all agricultural products which, I believe, Mr. Speaker, is as important as wheat; for while our wheat industry is probably the greatest single economic base under the tax structure of this province, it therefore probably could be called by some people more important; the wheat producer himself is no more important than the milk producer or the egg producer. They are human beings, Mr. Speaker, and whether their particular industry is large or small those people have a right to the same kind of consideration that we are asking for the wheat producers, and we are asking, I believe, what is fair and just for all concerned. So I believe, Mr. Speaker, that the Resolution introduced by my hon. friend from Bengough (Mr. Brown) is a good resolution, and probably you have gathered, Mr. Speaker, I propose to support it.

Mr. Korchinski (Redberry): — Will the hon. Minister permit a question? It may be a rather personal question. Were you a member of the old Farmers' Union previous to 1927?

Hon. Mr. Bentley: — For a short time, yes.

Mr. Korchinski: — Were you at the amalgamation meeting of that Union and the United Farmers, in Moose Jaw, in 1927?

Hon. Mr. Bentley: — No.

Mr. Korchinski: — You were not at that convention?

Hon. Mr. Bentley: — No, what does that prove, Mr. Speaker?

Mr. Korchinski: — I was going to say, Mr. Speaker, that there was some mention made that this Union was sponsored and led by the Communists, and I think that is true . . .

Mr. Speaker: — Order! Order!

Mr. Korchinski: — I am ready to speak to this motion.

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Mr. Speaker: — Oh, you were not. You took your seat and I recognized the hon. member for Lumsden (Mr. Thair). The hon. member for Lumsden has the floor. I recognized him.

Mr. W.S. Thair (Lumsden): — Mr. Speaker, I have listened with a good deal of interest to the two former speakers, one supporting apparently one policy and the other the Canadian Wheat Board, and the present marketing system. I would like to say that I am a grower of wheat. I am not going to take much of your time, I want to get back to the farm because half of my big crop is still in the swath, like possibly some other members' in the House. So I will not keep you long.

I would like to say, in speaking on the Resolution: "That in view of the fact that the International Wheat Agreement" (and I am reading the Resolution) "does not sufficiently protect the Canadian Wheat Grower against variations in the international exchange and economic situation, this Assembly request the Federal Government:

(1) to adopt a policy designed to maintain the price of wheat to the Canadian farmer at a parity level,"

and I would also like to include in that clause a domestic price for wheat; and in dealing with this clause, I am going to quote from the Year Book, November 1951, of the Saskatchewan Wheat Pool, Clause 6:

"Establishing a domestic price which would be subject to adjustments from time to time in accordance with change in the domestic economy as evidenced by the Dominion Bureau of Statistics indices covering commodities and services used by farmers, and also farm living costs."

Mr. Speaker, I believe that if price controls had been put into effect two or three years ago they could have played a most important part in controlling the cost of producing wheat in Saskatchewan as well as the other two western provinces. However, Ottawa did not see fit to set up such controls over the cost of production of a bushel of wheat in Western Canada, and that being the case we have only a choice of two courses of action, in my opinion, and one of them is, if possible, an increase in the maximum and minimum prices be set under the terms of the new Wheat Agreement (the present one, I believe, will expire in July 31, 1953) which is now coming up for consideration. I believe Mr. Wesson and Mr. George Robertson are leaving on Saturday to go to London to sit in at these negotiations, and we are hopeful, as wheat farmers, for a revision of prices upwards before the first of July of this year, which will not take effect, as I said for another year.

I believe a price also should be established for the domestic price of wheat in Canada, which would be subject to adjustment from time to time in accordance with the changes in domestic economy as evidenced by the Dominion Bureau of Statistics, which covers commodities and services used by farmers and wheat growers. I have them here, but I am not going to read them.

A number of statements have been made during the past two months by the Farmers' Unions of the three western provinces, by the Canadian Federation of Agriculture and by the Wheat Pools of the three Western provinces. I have them here, but I am not going to read them; but I would like to quote short extracts from The Leader-Post of recent days from an address delivered by Mr. Wesson of the Saskatchewan Wheat Pool at a luncheon meeting of the Regina Kiwanis Club. He made this statement:

“We want an International Wheat Agreement which will give us stability. Under such an agreement, we will never enjoy the peak prices but we will not be in the cellar either; we will not see the prices drop as they did in 1932 to 38 cents.”

And I well recall that, because I was growing lots of wheat in those days:

“. . . to 38 cents per bushel for the best wheat in the world.”

And he went on to say:

“The Federation of Agriculture, at its annual meeting last January, accepted a resolution which supported the principle of the International Wheat Agreement and recommended its renewal.”

I am in favour of that, but he goes on to say:

“The resolution recommended provision be made to adjust prices in relation to changing farm production and living costs, and that present floor and ceiling prices should be substantially increased. In any case, we believe that the whole basis of price ranges should be higher than that agreed upon in 1949.”

Mr. Wesson continued:

“Exporting countries must guard against the prices getting too high, so high that it will encourage greater wheat production in importing countries which have in the past found it more economical to import wheat.”

I think that point has been brought out by both the former speakers, if I am correct. And he continued:

“The present demand for wheat would probably continue until the end of the current calendar year due to the poor crops in Argentine and Australia.”

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So I would just wonder as a farmer or wheat grower, what should be a fair price for wheat under this International Wheat Agreement, and perhaps, a domestic price for wheat. I have a few figures here I would like to give you regarding the prices of wheat in relationship to the costs of production.

Since the first signing of the International Wheat Agreement, the farmer has been placed in rather an unsatisfactory position, because the Agreement did not take into account the possibility of disparities occurring between the farmer's cost of production and his price under International Wheat Agreement. The farm costs rose by 25 per cent from the beginning of the Agreement to August, 1951. At the same time, the price the farmer received for his wheat under the Agreement actually went down due to the change in relationship between the Canadian and the American dollar, the currency situation. "Economic Analysts" of the summer of 1951 said this, and I quote:

"It points out that the average price the farmer is receiving for his field products has gone down 15 per cent during the period since the beginning of the Agreement."

Now, with regard to domestic wheat price — no, to continue with regard to the Agreement:

"The present world trade situation would suggest" (this from the 'Economic Analysts') "That the exporting countries would be in a better position to bargain during the re-negotiation of the Agreement than they were in 1949. This new Agreement should provide for the possibility of maintaining the price of wheat in the exporting countries at a level that bears a fair relationship to the producer's cost of production."

Now this table from the "Economic Analyst" says, in 1946 the actual price of farm wheat was put at \$1.62 and the parity price \$1.62. In 1951 the actual price on the farm of wheat was \$1.79, but the parity price at that time, because of the increased costs, had risen to \$2.44. Therefore, while the cost increased 50 per cent during 1946 to 1951, the average price of wheat to the Saskatchewan farmer only increased by 17 cents per bushel or 10 per cent. The cost had increased some 50 per cent and the price of wheat only some 10 per cent. If the price of wheat had kept pace with the increase in the price of goods, the farmer must buy, the price would have been \$2.44 a bushel in 1951.

Now, just to sum up, I would say that the International Wheat Agreement should provide a higher maximum price than under the old Agreement. So many prices have been stated by the Wheat Pool, by the Farmers' Union, and other farm organizations, I myself would not hold out for the highest price at all, but I think that we should have an adjustment upwards in prices. Saskatchewan Farmers' Union have asked as high as a maximum of \$2.35 to \$2.45 maybe, with a minimum of about \$1.60 to \$1.85. And domestic wheat sales, I believe, should be made on the basis of a parity price. In the light of the

figures that I have given you just a minute ago, this price should be \$2.44 a bushel; we will say from \$2.30 to \$2.44. The Wheat Pool believe that these two prices, that is the price of the International Wheat Agreement and the domestic price, should be separated from each other. But the other day, Mr. Phelps met Mr. Howe, I am given to understand from The Leader-Post, and Mr. Howe at that time stated that nothing could be done about it. That is a very definite answer, but even the people of Saskatchewan and of Western Canada are convinced that we should have the two prices for wheat, a domestic price; we have no right to be subsidizing the consumer of bread in Canada — I mean, speaking of the farmer subsidizing — and I am sure the Opposition would agree with that.

In fact, I have a statement here again by Mr. Wesson last fall:

“That the growers thought that domestic sales should not be tied to the International Wheat Agreement but should be allowed to fluctuate with the domestic living costs.”

He estimated that at the present rate domestic wheat should bring at least \$2.25 a bushel, and as I stated before the Farmers' Union are asking \$2.45 or in that neighbourhood. He went on to say:

“This price,” he commented, “would not affect the bread prices, since it is estimated that the price of wheat could rise 52½ cents per bushel, and a loaf of bread would only need to go up one cent.”

I am very much in favour, then, of a domestic price for wheat.

Now, in conclusion, I have placed these two figures before you in the hope that I will not be misunderstood. I do not think we should go off the deep end and ask for extremely high prices under the International Wheat Agreement; but I believe there should be readjustment of price according to the cost of production. I will support this Motion.

Mr. B.L. Korchinski (Redberry): — Mr. Speaker, when the hon. Minister of Health was giving his address, he mentioned that the member from Redberry was against the Wheat Board. I just want to get up and say that that is not so. But when I asked the question, “What about Russia?” I had in mind that in 1930 and those years, Russia dumped wheat on the British market while at the same time they were taking wheat away from their own people in the Ukraine, and it is quite a well-known historical fact now that 6 million Ukrainians died of starvation while the Socialists of Russia were trying to break the capitalist market, underselling all the other countries. But the Minister took that as an occasion to say — just because I asked, “What about Russia”? — that I was against the Wheat Board.

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Hon. Mr. Bentley: — On a point of privilege, Mr. Speaker, let us correct this record. I mentioned that some of the hon. friends around the member for Saltcoats (Mr. Loptson) apparently agreed with him in opposing this. The Leader of the Opposition felt that I had referred to him. I distinctly did not because I know better than to refer to him in that way. But I did say that an interjection that I had heard from the member from Redberry and one or two others led me to believe they were supporting the philosophy of the member for Saltcoats. I did not mention Russia in that particular case.

Mr. Korchinski: — Well, I want to say that, knowing the way the C.C.F. can twist things, I want to make the statement that I always have been, and I am today, in support of the Wheat Board, and I want to say that it is not an historical fact, as the Minister says, that the capitalists were to blame for the repression in 1930, because, as he said himself, Germany and Italy were starting to grow wheat because they wanted to be self-sufficient, and the same thing applied to Russia. Those countries, Germany was under control, later on, of a Socialist party, the Nazi party — they were Socialists; and the same thing applies to Italy, they were socialists. I think the Socialists of the world should also take their share of the blame. National Socialists of Germany and National Socialists of Canada, perhaps, too — there is not very much difference. It is quite a known fact, Mr. Speaker, as I said before, that Russia did not break the market at that time, although the Minister said that there was only 2 per cent of the world market surplus wheat. I do not know where he got those figures.

Hon. Mr. Bentley: — On a point of privilege, Mr. Speaker, what I said was that at no time in the international trading of wheat did Russian wheat comprise more than 2 per cent of that trading.

Mr. Korchinski: — Where did you get those figures? That is what I wanted to know.

Hon. Mr. Bentley: — They are matters of history. You can get them yourself if you will read a little bit and stop dreaming.

Mr. Korchinski: — They may be C.C.F. history. It is very peculiar to me that the hon. members on the other side have nothing but praise for Russia; there is never a criticism.

Hon. Mr. Bentley: — Mr. Speaker, I made no praise of Russia. I gave an expose of the international wheat situation, and I want this record kept straight.

Some Hon. Member (Opposition): — He will straighten you up.

Hon. Mr. Bentley: — He could not straighten anybody up and neither could you, nor people that talk like that.

Mr. Korchinski: — I have been here for four years and I have not heard yet a single word of criticism of Russia by any of the members opposite; there is nothing but praise.

Mr. W.A. Tucker (Rosthern): — Mr. Speaker, when this Resolution was introduced, I was under the impression that the idea of it was that we were favourable in this Legislature to the farmer getting a fair deal as compared with the other branches of the population, and also that we were favourable to the principle of orderly marketing and prices set to give the farmer a fair deal. I had thought, in the light of the fact that there seemed to be quite a bit of work still to be done on the Order Paper, and the fact that there was some thought that we wanted to get through this Session before Easter, that we would not have a long debate on something on which we are pretty well all in agreement. So I was rather surprised that the Minister of Public Health thought fit to stand up and make a long speech and go away back over 20 years and try to rake up old controversies and old animosities.

I take it from that that this Government, for reasons best known to itself, has no desire to bring this Session to an end before Easter, and as far as I am concerned, that suits me quite all right, because surely, if they had any desire we would not have had the provocative speech from the Minister of Public Health. I am tempted as a matter of fact to enter into a review of the situation, going back also to 1921, except that I do not see any real purpose to be served by it. We have arrived at a certain stage in our attitude towards marketing problems and I do not see what is to be gained by going back and quarrelling about what happened 30 years ago, and the position taken by different people 30 years ago, and so on. I really do not feel that that is the most important thing before this Legislature today, so I think what I will do, as a matter of fact, Mr. Speaker, is indicate where our Party stands on this matter and hope that, so far as this Resolution is concerned, it will not be the occasion for everybody trying to throw doubts on the Canadian farmer and the western Farmer, as so many C.C.F. speakers persist in doing. I do not think they are impressing the farmers of this province at all by that sort of pose; I feel that it is not necessary at this stage, to do otherwise than restate our position, Mr. Speaker. And that is about all that I think I will do this afternoon.

I think that the position of the Liberal Party is pretty well set out in the Agricultural Prices Support Act, which was passed in the 1944-1945 Session, Chapter 29 of the Statutes of that Session. That Act was passed for the period of transition from war to peace, but it was later made part of the permanent law of the country in the Statutes of 1948.

Now there are different definitions of “parity” and the definition of parity which is given in the house is a different definition of parity from what used to be accepted. The definition of parity used to be to compare it with a period that was taken as a satisfactory base period and to say that we should try to have prices rise in accordance with the rise of farmers’ costs of production and costs of living as compared with the base period. The period taken for sometime was the period between 1927 and 1929, and for many, many years the attitude was taken that we should keep the farmer on a basis where he would be as well off compared to his cost of production and cost of living as he was in 1927-29. Later the time came, following the second war, when farmers’ prices had risen above that parity level and that ceased to be taken as a proper definition of parity.

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Now there was a definition of parity given here today which I think is a sounder one, and I think that it is the only sound one, namely, that the farmer should get his fair share of the national income, and that is the basis on which I think everybody should be able to agree. It may not be easy always to bring that about and to agree on what that would actually result in; but it is sensible and a policy which it seems to me everybody should be willing to agree on; that each group of the population should get its fair share of the national production. I was one who very strongly supported the Agricultural Prices Support Act, which embodies that idea, from the time I was first elected to Parliament, and was very glad when this was written into law — and it is still the law of the country.

I would like to read Section 9, subsection 2 of this Act. I am quite aware of the fact that it does not cover wheat — it covers all agricultural products but wheat; but the idea expressed at the time this Act was passed was that the Wheat Board would look after wheat and that the same principle would be observed in regard to the price of wheat as was laid down in the Agricultural Prices Support Act, and this is a principle with which it seems to me all fair-minded people of all branches of activity should be willing to agree. I will read it, Mr. Speaker:

“In prescribing prices under paragraphs (a) and (c), subsection 1 of this section, the Board shall endeavour to ensure adequate and stable returns for agriculture by promoting orderly adjustment from war to peace conditions and shall endeavour to secure a fair relationship between the returns from agriculture and those from other occupations.”

That is a principle which I think is fair to agriculture, and I do not think it would be quarrelled with by any other occupational group in the country; that there should be an endeavour made to keep the price of farm products at a level where the farmer shall have an income which bears a fair relationship to the incomes of those engaged in other occupations. Now, that is the basic law of the country today, and I think that is the basis for a sound parity price for anything! That everybody, in payment for what they produce, shall get what bears a fair relationship to what everybody else gets, although I say that is not always easy to bring about. I think that is the sound basis of operation for all branches of society, and it is part of our Statute Law. And, as I understand this Resolution, that is what is meant by it. I do not think it means that we want to go back to having a parity price based upon the 1927-1929 level of prices, because we are in a better position than the farmer was in 1927 to 1929. I think what the mover and seconder had in mind, and what I would have in mind when I support this Resolution, is that we should ask that everything possible be done to see to it that the farmer, in the prices he gets, shall be put in a position where his income bears a fair relationship to the income of other people, having in mind the time he puts in, his money invested, and all other circumstances. I think that if society could be organized that way, then you would have good deal less in the way of dissatisfaction as between one group and another.

And so, as I understand it, Mr. Speaker, what this Resolution, I believe, wishes is to carry out what is already the basic law of the country, and they wish the price of wheat to be set at a level; that there should be a basic price of wheat, and it should not be permitted to go below a level which would prevent the farmer getting his fair share of the national income. I think that is the basic idea of applying the principle of orderly marketing to all agricultural products, because I think it is felt that it would be much easier to make sure that the farmer does get a fair share of the national income if you have orderly marketing, for in that event, you will not have prices rising drastically in periods of perhaps scarcity, and you will not have them dropping drastically in periods when there is plentiful production. And there will be an attempt made to keep prices upon a more or less stable level.

So far as I am concerned, I feel that, with the understanding of the Resolution, we can support it. In taking that attitude, I am not speaking only for myself, I am speaking for our Party in the province. So that there may be no misunderstanding about it, I will read from our platform, which represents what our platform was for many years; but I have a copy of the platform as ratified at our convention in 1950, and here are the relevant sections of the platform:

“A permanent policy of adequate floor prices for agricultural products.

“Full co-operation with the Federal Government in securing for farm products the widest market and the best possible prices.

“Continuation of the Canadian Wheat Board as the best method of marketing grain and extension of the power of the Board to include full control over the marketing of all grains, with adequate representation of producers on this and other such boards.

There is the fixed policy of the Liberal Party on this matter. There is no question about where we stand on it, and I do not see anything to be gained by members opposite trying to confuse the matter and pretend that we are standing in a different position from what we are.

Hon. Mr. Fines: — Mr. Speaker, I wonder if the hon. member would be willing to table that document?

Mr. Tucker: — Oh yes, except that I have many notations on it which I am sure would not meet with the approval of the Provincial Treasurer. For example, here I have, as the Minister of Public Health would say, an expose of these false claims of Crown Corporation profits, indicating that for the year 1950 there were no profits. Perhaps I should table it too. But if the Minister is sincere, I am quite willing to table it.

Hon. Mr. Fines: — I would like to have a copy of it.

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Mr. Tucker: — Well, I will get a nice clean copy and table it so that there will be no doubt about where we stand on this matter. I am glad that the Minister of Public Health did not seek in any way to suggest that, in all the time that I have been in public life, I have taken any other stand than one of complete support of the Wheat Board and of its extension to handling the grains of the western farmers. At the time when its powers were extended to handling oats and barley, it was known to everybody in the House of Commons that that was a very difficult struggle to get that done, and I think it is recognized that I took quite a part in getting it put through the House at that time. I think I prevented a suggestion, made by the C.C.F. (which I do not think that they expected would result in that) in regard to splitting that Bill, I think that I pointed out to them where their move was going to lead them in perhaps destroying this applying to oats and barley, so that after I spoke, they indicated that they were not going to press the amendment that they had in mind. I felt at that time that I had some part in seeing to it that this Wheat Board Power was extended to oats and barley. We almost got it extended to flax and rye, but we just fell short of it; the real appeal was to have it apply to oats and barley and that was accomplished at that time.

So far as our Party in this province is concerned, they are favourable to all grain being handled by the Wheat Board. We are favourable to the idea of a basic price, a floor price being set that will ensure the farmer getting a fair share of the national income. I have said (and I feel that it is right) that the farmer is just as much entitled to a floor on his prices that will ensure him a minimum reasonable income, as the working man is entitled to a minimum wage. And in that I agree whole-heartedly too. It is a matter of living and letting live and being fair with one another in these matters, Mr. Speaker, and that is the position that our Party takes in this province on this matter.

Mr. Lopton: — Mr. Speaker, on a point of order. I do not want the House to think that I was opposing the Motion when I was talking. I did not want to give that impression . . .

Mr. Speaker: — That is not a point of order. It is my duty to inform the House that the mover of the Resolution is entitled to exercise his privilege to close the debate, and anyone wishing to speak must do so now.

Mr. Brown (closing): — Mr. Speaker, the Leader of the Opposition, when he arose to take part in this debate, suggested that the Government must have some motive in mind in attempting to prolong this discussion by having the Minister of Health participate in this debate. I was just referring, Mr. Speaker, to the fact that our friend from Saltcoats spoke for some 36 minutes on this Resolution and placed before the House his views in regard to the marketing particularly of wheat, which it was his right and his privilege to do. I am glad to see that he did place that view before us in this House, for I feel that that was a view which is held by a considerable number of people in the Province of Saskatchewan, and certainly in the Dominion of Canada, or we would not have the Winnipeg Grain Exchange operating to the extent which it is operating. He has a perfect right to place his views

before the House in the manner in which he did. But I do point out, Mr. Speaker, that he did take some 36 minute and he did suggest certain remarks which had to be replied to. And I think that the Minister of Public Health felt . . .

Mr. Loptson: — Mr. Speaker, on a point of order. I never mentioned the Winnipeg Grain Exchange at any time. I never mentioned it.

Mr. Brown: — I never suggested that you did mention the Winnipeg Grain Exchange, but I do suggest that it is the philosophy which you expressed in your remarks, which must be concurred in by other people in Saskatchewan, and certainly in other parts of Canada, which makes it possible for the Winnipeg Grain Exchange to maintain the status in our economic life which it does maintain. If it were not for that philosophy which you expressed, then I am satisfied that the Winnipeg Grain Exchange would have been eliminated a goodly number of years ago.

Mr. Loptson: — How about the Chicago Exchange?

Mr. Brown: — But the remarks which the member for Saltcoats made did necessitate the remarks being made by the Minister of Public Health, because the Minister of Public Health placed on the record something that had to be placed on the record following the remarks made by the member for Saltcoats. I would point out that the Minister for Public Health was able to place that view on the record in some 47 minutes, and, during that same 47 minutes there were several interruptions and several questions asked of him, and no doubt if they had not been asked and the interruptions had not been made, he maybe could have done it in the same length of time that was taken by the member for Saltcoats.

But, Mr. Speaker, I do want to compliment the Minister of Public Health on his remarks, for I feel that this afternoon he said something that he was required to say; and, while he may have been saying something that has been said in the past, he said something that needs to be repeated and continually repeated so that we do not make the same mistake in the future that we made in the past by not realizing the implications of the factors involved. The clear-cut statement that he placed before this House and the people of Saskatchewan is indeed to his credit.

In reference directly to the remarks made by the Leader of the Opposition in connection with this Motion, which is before the House. He suggested that the position of the Liberal Party is enunciated in the Agricultural Prices Support Act and you will recall, Mr. Speaker, that in my opening remarks I quoted from the Agricultural Prices Support Act as indicating a means by which parity could be obtained. But you will also recall, Mr. Speaker, that this Act was passed, I believe, in 1946, and since that time there has been no machinery set up by which the principles enunciated in the part which he read could be put into effect and . . .

Mr. Tucker: — Mr. Speaker, the hon. member is wrong on that. The Board provided for in this Act has been set up and exists today.

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Mr. Brown: — If the hon. Leader of the Opposition had only allowed me to finish my sentence I think he would have realized more clearly what I meant. I stated that the Federal Government, since 1946, has set up no machinery by which it could put into operation the principle enunciated in the section which he read, which suggested that the Agricultural Prices Support Act would be a means by which there could be maintained a fair relationship for the producer in the agricultural industry as compared with that of other occupational groups. And I suggest, Mr. Speaker, that there has been no machinery set up by which that could be put into effect. It is true that the Board has been established under the Agricultural Prices Support Act, and that it has put certain floor prices under agricultural products; but if you will recall the price that was placed under eggs and suggest that the poultry producers, through the medium of the price set by the Board, could expect to have a fair relationship from his production as compared with other occupational groups, I can assure you, Mr. Speaker, and you will agree, that that is far from the case and far from possible. The same is equally true in connection with hogs. The floor price under hogs will certainly not bring forth that which is enunciated in the Agricultural Prices Support Act.

And he also, Mr. Speaker, quoted from the Liberal platform. He suggested that he was quoting from the 1950 platform, which was endorsed in the year 1950. I think, Mr. Speaker, if you will recall back to about 1920, those same words were very nicely in the Liberal platform of 1920. It always, apparently, appears that the leader of the Liberal Party in Saskatchewan has got to continue to be the champion of the farmers within the Liberal Party. I think, Mr. Speaker, that the Liberal Party has been in power in Canada continually since 1935, and if it had any idea of putting into effect the policies enunciated by my friend the Leader of the Opposition that some 16 years would be sufficient time for them to begin to make a start to reach that stage of orderly marketing to which he referred.

Mr. Tucker: — They are doing a pretty good job of it.

Mr. Brown: — I would further suggest that the six years since the Agricultural Prices Support Act is sufficient time to begin to inaugurate that principle.

In connection with the remarks made by the member for Saltcoats, I think they were adequately answered, and answered in a much better manner than I could, by the Minister of Public Health, but there is just one point to which I wish to refer. Throughout his entire remarks he came up with only two concrete suggestions. One of them was replied to by the Minister of Public Health that it was not, in his thinking and certainly not in my thinking, that an orderly marketing in any way produces a marketing of a commodity such as wheat by individual provincial pools. The other suggestion that he came up with is that we must lower our cost of production to meet world competition. It is true that we can lower our cost of production of agricultural products and we can lower the cost of production of wheat, but at whose expense are we going to lower the cost of production of wheat? We are going to lower it in the standard of living of those people who are actually producing the wheat. We produced wheat in the 'thirties cheaper than we are producing it today; but what was the standard of living that we enjoyed when we were

producing wheat at the price at which we were producing it during the 'thirties? That is his answer to this question of orderly marketing at a parity price for agricultural products.

Mr. Loftson: — Mr. Speaker, that is my hon. friend's answer to it; that is not my answer.

Mr. Brown: — Mr. Speaker, the member for Saltcoats did suggest that we must lower our cost of production to meet world-wide competition. If the agricultural industry is going to have to bear the brunt of being required to lower our costs of production while other industries within the same country are being protected, as they are being protected, by tariffs, as illustrated by the Minister of Public Health, and as other industries are being subsidized, as they are being subsidized in Canada, then to suggest that we must lower our cost of production to meet world-wide competition indicates to me a bankruptcy of ideas as far as beating those problems which face the agricultural industry of today, and particularly face those people engaged in agriculture or depending upon agriculture for their livelihood.

The question being put, the motion was agreed to unanimously.

After some time spent in Committee on certain Bills, the assembly adjourned at 11 o'clock p.m. without question put.