

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Twelfth Legislature
19th Day

Tuesday, March 10, 1953

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

Before the Orders of the day:

CORRECTION

Mr. A.C. Cameron (Maple Creek): — Mr. Speaker, it has been reported that I said, in my speech last Friday, that gasoline had gone up 10 per cent. I have not had the opportunity to check the transcript, but I checked with my notes and my intention certainly was to say that it would cost the user 10 per cent more for tax on gasoline in his cars and trucks. Apparently I must have omitted, in the course of my speaking, to stress the tax increase. That was certainly my intention, and I am certain the hon. gentlemen would not want to get the wrong impression that it was the gasoline rather than the gasoline tax.

FREIGHT RATE INCREASE

Hon. L.F. McIntosh (Minister of Municipal Affairs): — Mr. Speaker, before the Orders of the Day are proceeded with, I would appreciate the privilege of bringing before this Assembly a matter of vital importance to the citizens of Saskatchewan and to all the citizens of the dominion of Canada.

The Board of Transport Commissioners announced, yesterday, that it had authorized Canadian railways to make a further general increase of 7 per cent on freight rates in Canada, effective March 16, 1953. This new increase will add a total of approximately \$38 million per annum to the freight bill of Canada. Canadian railways have now been granted successive increases amounting to 98 per cent since the spring of 1948, in the face of vigorous opposition from the four western provinces and the Maritime provinces, whose geographical position fastens upon them a heavy and inescapable burden of rail transportation costs.

Different forms of taxation relief to corporations provided in the recent Federal budget, it is believed should substantially reduce expenses of railway operations and improve the net earning position of railways to the point where any additional increase in freight rates at this time would be entirely unwarranted.

Throughout the past 6½ years, during which freight rate increases have been proceeding, there has been close contact and co-operation in respect to this new increase, and the Government of Saskatchewan is joining with other provincial governments in appealing to the Governor-in-Council, under Section 52 of the Railways Act, against the Board of Transport Commissions' decision and, pending the hearing of this appeal, the Saskatchewan

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Government is requesting the Federal Government to suspend the Board's order authorizing the new increase.

Our Premier has, today, wired the Prime Minister of Canada as follows:

“The Government of Saskatchewan has instructed counsel to join with other provinces in appeal against 7 per cent freight rate increases. The Government of Saskatchewan further requests immediate suspension by the Federal Government of Board of Transport Committees' order authorizing increase pending hearing of the appeal.”

BUDGET DEBATE

The House resumed from Monday, March 9, 1953, the adjourned debate on the proposed Motion of the Hon. Mr. Fines (Provincial Treasurer): That Mr. Speaker, do now leave the chair. (The Assembly to go into Committee of Supply).

Mr. Niles L. Buchanan (Notukeu-Willow Bunch): — Mr. Speaker, continuing from yesterday, courtesy demands, in deference to those who may follow me, that I do not take too much time, and therefore I will not be able to take the time I would like to have taken in discussing the provincial budget being brought down at this time.

However, just for a brief moment I would like to go back to the trend of thought that I was engaged in, yesterday afternoon, and make some brief references once again to the provincial election which we had last June 11. There have been various reasons given, programme and constituency, attempting to justify or otherwise the results of that election campaign. It has been suggested that the reason the C.C.F. won that election with the victory they did was because of the unpopularity of the Ottawa Government. It has also been suggested that the people of Saskatchewan made a mistake last June 11.

Well, as far as the latter suggestion is concerned, Mr. Speaker, I would like to say that it is only people who lack intelligence that make mistakes and, therefore, by inference, it is suggested that the people of Saskatchewan are not intelligent. Now I heartily disagree with any idea which expresses that point of view. I believe, first and foremost, that the people of Saskatchewan are the most enlightened and the most intelligent people in the Dominion of Canada, and while I do agree to a certain extent with the conception that the people of Saskatchewan voted C.C.F. because of the unpopularity of the Liberal Government at Ottawa, I would like to extend that to include the Liberal Party of the province of Saskatchewan. The people of Saskatchewan not only voted against something. they voted for something, and a positive vote is always better than a negative vote. They voted for a government that had been in office for the last eight years, a government which they had confidence in, a government which is, today, bringing down a post-election budget which is designed to carry out the election platform that the C.C.F. Party sought re-election on, last June. That is the budget which we have before us, and it shows every evidence of the promises that we made at that time being carried out. It shows the cornerstones being laid

for the progress which we pledged to the people of Saskatchewan, last June.

We are in a fortunate position on this side of the House at the present time, because we have had two budgets brought down in very recent dates: one is the C.C.F. budget here in Saskatchewan, and the other is the Liberal budget at Ottawa. Now there are several differences, but I would like to point out this one: The C.C.F. budget is a post-election budget; the Liberal budget is a pre-election budget. Now let us see what further comparison shows in that Liberal budget by just glancing at it for a few moments.

First of all, we find there are reductions. Well, we have seen that in every Federal election campaign since the beginning of time in the Dominion of Canada. Particularly when there has been a Liberal Government in office, the pre-election budget is a tax-reduction budget; the post-election budgets are tax-increase budgets, and so it is not surprising that there are some tax reductions.

Following are some of the reductions that have been made: I suppose the majority of people in Canada smoke – well, the tax on cigarettes has been reduced by \$17 million; radio licence fees have been reduced \$6 million; personal income tax has been reduced by \$77,500,000; sales tax on books, \$8 million; a lower limit for medical exemptions, \$10 million – or a total, to the people of Canada, of \$118,500,000 of tax reduction contained in the Liberal budget brought down at Ottawa. Now compare that with the reduction on corporate profits income tax – a total of \$248½ million reduction on corporate profits income tax. In other words, 30 per cent of the reductions are given to the people of Canada, 70 per cent of the reductions are given to the corporations and financial institutions, or, rather, ‘big business’ in the Dominion of Canada.

Let us see what it is going to mean to you and me and the man around the corner. We will just see what this reduction in income tax means to the average Canadian. Taking a man and wife and family of two children with an average income of say \$3,000, just exactly what income tax reduction is he going to receive? Last year, he would have paid \$130 in income tax; this year, he will pay \$126 in income tax — \$4.00 reduction for the family man earning \$3,000. Now we will just take a small corporation – a corporation earning \$20,000 in profits in a year – and what is their reduction? Their reduction is \$3,400, in the same budget brought down at Ottawa — \$10 a day for the small corporation; 1 cent a day for the family man, in other words, it is a “penny” budget as far as the people in Saskatchewan are concerned: International Nickel, \$10,000 a day of reduction.

Now we will take another picture, something that is interesting to all of us, particularly to the farmers of Saskatchewan. The small farmer has on an average, I suppose, \$20,000 invested in his farm and he runs along 10 or 15 years or so, and then all of a sudden he hits a good crop. Supposing he gets \$10,000 of a profit out of his crop in any particular year. Of that \$10,000 that he gets from his farm operations, working hard, he has to pay an income tax under this new budget of \$1,790. Now we will suppose some investor, some person, living on his investments makes \$10,000. He does not do any work. He places them with a bond company of some kind, and they do the investing for him. He is sitting back clipping coupons, but he makes

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\$10,000. Well, there is a 20-per cent reduction taken off – 20 per cent of his profit reduction on his income tax. In other words, of that \$1,790 which the farmer would pay on \$10,000 profits, the man who has invested his money in stocks and bonds in this Dominion of ours pays no income tax whatsoever: \$1,790 for the farmer – nothing for the investor; a penny-a-day tax reduction budget for the working man – a million-dollar-a-day tax reduction budget for the big fellow.

That is not the worst side of the picture, either, Mr. Speaker. We have mention of it time after time in this House, and I think it can be mentioned again to the people of Saskatchewan and the members of this House. I refer to the comparative figures of income tax collections comparing Saskatchewan to other provinces in the Dominion. In Saskatchewan, last year, was collected \$3½ million in income tax; \$2 million, in Ontario; and \$50,000 in the province of Quebec. The net income for the average farmer in Saskatchewan is \$2,367, while at the same time the Ontario farmer received \$3,065 — \$700 more than the Saskatchewan farmer. The Quebec farmer receives an average of \$1,900. the tax to the Saskatchewan farmer is \$31; the average tax to the Ontario farmer is \$12.60. He gets \$700 more than the Saskatchewan farmer and he pays less than half as much income tax. And Quebec, 37 cents per farmer.

Mr. Abbott says that income tax is comparatively easy to collect in Saskatchewan, and that is the reason why they get such good returns, while it is difficult in the province of Quebec. Well, you would think that, if it was easy to collect in Saskatchewan, we would not need too many inspectors, and that while it is difficult to collect in Ontario and Quebec, they would need considerably more inspectors. But the reverse is the situation. We had 60 income tax collectors in the province of Saskatchewan while in Quebec they only have 22. In Saskatchewan, we have 112,000 farmers, while in Quebec we have 134,000 farmers. So 22 income tax collectors are expected to do a job where it is more difficult in Quebec, with more farmers to assess, that 60 collectors are expected to do in Saskatchewan .

Now this holds true of all the prairie provinces; Alberta and British Columbia as well as Saskatchewan. It is consistently true, this same picture. I would not like to suggest that it is because the Liberal Government holds practically every seat in Quebec and a large number of seats in Ontario that they are comparatively lenient with the farmers of those provinces, while they are really putting it to the farmers of these western provinces. but I believe that is the opinion held by the majority of the people in western Canada, and that is one of the things evidenced in the large number of C.C.F. seats we have on this side of the Legislature. So it bears out the contention that the farmers of Saskatchewan voted against the Liberal Party because of the unpopularity of the Ottawa government.

Turning to our budget that is being brought down at this time, we find that our revenues are derived from several sources, and in the criticism of any budget one must make a comparison between where the revenues are derived from and how the money is spent in services to the people. Governments do not make money. Governments merely assess one group or groups in a society in order to give service which those people are unable to give by themselves. Governments do not come into office to be foisted on the public, but the public themselves put governments into office to care for their

province. and so in assessing the value of any budget the first consideration must be given to where the money is taken from. We find that the main revenue sources contained in the budget are the Gasoline Tax, the Education and Hospitalization Tax, the liquor profits and licence fees. Sure, there are other sources of revenue, but these are the main sources: the Gasoline Tax taken from the motorists of Saskatchewan who use our provincial highways system; the Education and Hospitalization Tax taken from the people who have the ability to pay it; the liquor profits – well, if we keep on at the rate we are going we are very soon going to drink ourselves out of debt here in the province of Saskatchewan, and I am glad to see that the Provincial Treasurer has earmarked the liquor profits for debt reduction in the province and not taken them to be used in current expenditure out of current revenue; licence fees received for services that are rendered to the people of Saskatchewan.

And now, expenditures. A lot of people object to the term ‘welfare state’, but the C.C.F. was built on the principle of “Humanity First” and, because of that, we would expect any C.C.F. budget brought down in any legislature any place in Canada to concentrate on social services, and that is what this budget does. The most of this budget, the bigger portion of it by far, goes to social services to the people of Saskatchewan; education, health, social welfare. Highways receive the next largest slice, which is only natural here in Saskatchewan where we have a tremendous highway need. Third is agriculture. In fact, this year we will be spending out of revenue and capital for the Department of Agriculture just over five times the amount that was spent in the 1944 Liberal budget.

I would like briefly to compare that 1944 budget for a moment with this budget as far as expenditures for provincial market roads are concerned. In 1944, the Provincial Government collected the Public Revenue Tax which was at that time approximately the same figure that it is today. They received from rural municipalities the sum of \$1,300,000. Now in purely municipal road grants in that year they expended \$266,666, so they received in excess over their expenditures for municipal roads in the province of Saskatchewan, \$1,033,334. Now, in 1953, this budget that we are discussing at the present time, we have turned back the Public Revenue Tax of \$1,300,000. In addition to that, we have earmarked \$1,500,000 for municipal road grants, making a total of \$2,800,000. Adding to that total the amount taken from the municipal bodies in this province by the last Liberal Government in 1944, we find out that municipalities as far as grants are concerned are \$3,833,334 better off today than they were in 1944.

The C.C.F. budget that we are discussing today is the last that we have before us of nine years of the greatest progress that this province has ever seen. I think it is reflected in the taxation picture of the province. In 1941, \$13,656,000 was collected from the people of Saskatchewan in provincial tax. The municipalities collected another \$17,391,000, or a total of \$31,047,000 collected in municipal and provincial taxes in 1941 from the people of Saskatchewan. Their income at that time was \$277 million. The municipal and provincial taxes at that time were 11.2 per cent of the total income of the people of Saskatchewan in 1941.

The percentage has been going down, Mr. Speaker. In 1951, the total provincial and municipal taxes collected from the people of Saskatchewan was \$71,032,000. They had a gross income of \$1,097,000,000. Their

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percentage of income paid in provincial and municipal taxes in Saskatchewan was 7.2 per cent, or a reduction of one-third – 36 per cent; to be exact 36.3 per cent in taxes as compared to provincial income. In other words, Mr. Speaker, the people of Saskatchewan are paying today a smaller percentage of their income in provincial and municipal taxes than they ever paid before in Saskatchewan's history.

I could go on and I would like to. However, as I stated at the outset, courtesy requires of me that I cut my remarks as briefly as possible. Perhaps some people wonder what particular reason each member has for supporting a budget. I want to say that the reason I am supporting this budget, today, is because it is balanced on the needs and the economy of the people of Saskatchewan. It is not trying to chisel pennies away from the poor. It is not built on the heartache of the working masses of this province or any other place in the dominion.

Mr. A.P. Swallow (Yorkton): — Mr. Speaker, I realize that coming on at this stage in the Session, it is very hard to say anything that has not already been said by some of the former speakers; but I think life, in general, is made up of repetition. I am glad to support the budget as so ably presented by the Provincial Treasurer. Through this budget the Government are telling the people of Saskatchewan that the money is forthcoming to carry on and to expand the many humanitarian services that have been established since 1944, and that they now appreciate so well.

We have heard a lot of speculation in the House, this Session, regarding why this Government was elected with such a large majority. We have been told that it is because we fought the election on Federal issues. Well, it seems to me, Mr. Speaker, that that is a great condemnation of their own Federal Liberal policies. I feel sure that we, in the C.C.F., would be glad to fight any election on our Federal policies.

Mr. Harry Gibbs (Swift Current: — Hear, hear!

Mr. Swallow: — I do not think it was anything that any candidate said in the election that elected the C.C.F. in its four-weeks campaign, but I do think it was what this Government has done in eight years that brought 42 members back on this side of the House, and only 11 on the other side. At one of my meetings, I had a man come to it, and I understand he had been a Liberal all his life, and he brought the returns of his cattle. He sold two calves; he shipped them, and he brought the returns to this meeting and gave them to me, and he advised us that Mr. Gardiner had told them at a meeting in Kamsack, that if they were not satisfied with the returns they received, they should send the cheques back to the companies; and if they were not satisfied, they should advise the Federal Department of Agriculture. This man took Mr. Gardiner at his word and sent the cheques back to the company and he brought the letter which he had received to the meeting, and it stated that he had received the full value of the cattle on the day that they were received there, and that nothing could be done at all. What made him, I think, most mad, was that in the last paragraph it said, "We will be looking forward to receiving more shipments from you in the near future." I have no doubt that these prices and what was going on at that time, did make the people of Saskatchewan realize that the Federal Government had failed, as the Liberal Government had failed in Saskatchewan in the years previous. But they were not the real reasons why this Government was elected.

All my life I have been very healthy and I had never been in a hospital until just recently, just before this Session. I would not want to wish on any members of this House that they should go to a hospital; I do not think it is the place to go to have a holiday; but it does give you a broader view and a more appreciative view towards the whole Hospitalization Plan. First of all, it gives you more sympathy with those who are sick if you suffer yourself and next, you appreciate the services you receive in our hospitals today, and I think that, third, you realize that the hospital is the place to be when you are sick. As you stay in the hospital, you see people around you and get to know them, and you know that they should be in a hospital. I think there is a very small percentage of the people in our hospitals who should not be there. Some state that there is a great number; I do not think so. But as you see these people, you realize that they should be there; but you also realize that they could not be there if it was not for our Hospitalization Plan.

A few days after I came out, I received the usual statement that people receive when they come out of a hospital. It stated that the plan had paid for me, for ten days, \$90.90. Now when you look around and see the people in there – and you know many people, Mr. Speaker, that have been in hospitals for weeks and sometimes months; you know their financial circumstances, and you know they could not be in the hospital paying over \$9 per day, if they had to stay a long time, and if they did go to a hospital, it would mean that they or their families would suffer in the years to come. They would not be able to have the necessities of life that they are entitled to, and you realize that when you go to a hospital.

In 1952, according to the report of the Hospitalization Plan, there were 161,299 people discharged from our hospitals that year; that means that number, Mr. Speaker, received these statements. For the period from 1947 to the present time, there were 885,236 people discharged from our hospitals. In other words, there was approximately the same number as the total population of Saskatchewan who received these statements since 1947. Some of them, as we know, amount to hundreds and sometimes thousands of dollars, and we realize again, that these things could not have been done if it had not been for the Hospitalization Plan.

I think that that is one of the main reasons, possibly, that this Government was returned to power. I believe our cancer treatment is another reason why they were returned to power. I remember reading, just recently, where the B.C. Government had just recently installed a Cobalt unit for the treatment of cancer. I understand that it is the use of atomic energy for the treatment of cancer. Well, Mr. Speaker, this province installed one some years ago, and people have been receiving treatment from that for years, and it was the first one in Canada that was ever used for that purpose – possibly one of the first in the world that is being used for the treatment of cancer. I know that we members who were elected in 1944, visited the Cancer Clinic at that time, and I think we all came away with the feeling that it was inadequate to serve the province of Saskatchewan. Now, if you could take a trip to the Cancer Clinics in Regina and Saskatoon, you would realize the great advances that have been made in the short period.

Previous to 1944, in many parts of this province, particularly in the more isolated parts of the province, I think most of us dreaded winter coming on. In many of those places we had no hospitals, and because we had

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no hospitals, we had no doctors, and we never saw a snowplow from the time the snow came in the fall until it went away in the spring. I happened to live in one of those places at that time. We did not consider ourselves very isolated but we had no hospital, we had no doctor. I remember, in the winter of 1943, it got so serious, the roads were plugged up and we were so afraid of a serious outbreak of sickness, that we organized a gang and we dug the road out for fourteen miles to the next town. We knew that if we could get there, we could then get to Yorkton to the hospital 35 miles away.

There is a great change come over this province in that short time. It is only those who have experienced what it is to have either members of the family or neighbours suddenly become very sick and you know that the roads are plugged, you know you have no doctor – you may be 30 to 50 miles away, (we were 35 miles from the nearest doctor and hospital); only those that experience that know what it is. As I said before, a great change has taken place in a short time and we now have doctors and hospitals in these isolated points, and today the roads are kept open all winter.

Another thing that adds to this care that the people appreciate, is our Air Ambulance. Mr. Speaker, if you have ever lived in a small town, you know that we all know each other's troubles. We know when there is serious sickness; we know when there has been an accident, and we are very interested, naturally. It is a great feeling to hear an aeroplane humming overhead, and you run out and you see the Saskatchewan Air Ambulance circling around trying to find a place to land safely. And then, in a short time, you see a truck or a car leaving for hospital with the sick or the injured one. It certainly is a great feeling. You feel that this Government was elected on 'Humanity first'. We have had many cases in the last few years, where lives have been saved.

I think all of us are very glad that the Federal Government have now come into the picture in the way of hospital grants, but I do not think we want to forget that, previous to 1948, when the Federal Government came in to giving hospital grants, this Government gave grants to assist the building of over 40 union hospitals in this province. These hospitals were built in areas where they were needed the most; in the most isolated areas. I think the Minister of health mentioned the other day, the greater costs now for building hospitals. It would cost over 100 per cent more to build those hospitals today, so if this Government had not had the vision to realize the need of hospitals and given grants in those days, I do not believe many of them could be built today, because of the great cost. Another thing: those grants were given on a very fair basis, on the basis of need. As you know, the Local Government Board decided what a district could pay and then the Government gave the difference, and I think it is much more fair than the Federal policy today of giving so much per bed – I believe it is \$1,000 per bed. One thousand dollars would be sufficient in many districts where they are wealthy, but it is not nearly sufficient in any area where they are poor.

I agree with the hon. member for Notukeu-Willow Bunch that the people of Saskatchewan are very well posted; I believe they are better posted on what the Government is doing than any other province in Canada, and I believe one of the means of telling the people what is going on are these radio broadcasts – I think the only thing of its kind in Canada. Last summer I was in Edmonton and I visited the Legislative Building there and I got into

conversation with some Alberta visitors, and they were very interested in our broadcasts. They said they wished their government would broadcast, that they would then know more of what was going on. I venture to say that, before 1944, before these broadcasts came into effect, the hon. member for Arm River (Mr. Danielson) was not know out of his own constituency; but I can vouch, today, that he is known all over the province of Saskatchewan, and also the Leader of the Opposition – they know their voices when they come on the air. Now, Mr. Speaker, you will notice that I did not include that in one of the reasons why we were elected.

I think another reason why the people know more about what this Government is doing and what is taking place in the province, is our weekly letter. The Leader of the Opposition, I believe, refers to it as the ‘propaganda sheet’ or the ‘propaganda rag’ – I do not know which it is, but I remember quite well, just after I was elected in 1944, I received a weekly letter sent out, previously, by the Liberal Government – I do not know whether you would call that a Liberal ‘propaganda sheet’ or not. I have a copy of it here, dated January 8, 1944. There was not much in it, and it is just a kind of mimeographed letter you would receive from a company that you would throw in the wastepaper basket. Of course, they did not have much to tell about. They could not tell the people about our Hospitalization Plan, because there was not one; they could not tell them of our free cancer treatment because there was not such a thing at that time; they could not tell of our rural electrification, because there was no power to take to the farmers of Saskatchewan at that time; they could not tell much about road construction, or maintenance or snow removal, because there was not such a thing. I think we all remember that the Anderson Government built a large bulk of the highways that were here when we came, and I think you will agree that we have been paying for them ever since. they could not tell of the health services for our old-age pensioners – there were none. There was no health services for mothers on mother’s allowance, so they could not tell of that. And I am sure, Mr. Speaker, they would be ashamed to tell of the paltry allowances that the mothers received in those days. They could not tell of the profits of the natural resources – there was not very many. I think the Minister of Natural Resources told us, the other day, that in 1944 there was \$900,000. I think, this year, they estimate \$5 million – quite a difference. They could not tell of the education in the north – there was a deplorable condition there. They could not tell about larger units, because we did not have any, and there was not much being done about them. So there was not much they could tell us in their weekly letter – quite a change, Mr. Speaker, in the one we receive today. It is attractive; it has vision – and it may have propaganda – I notice on one sheet it says, “Tucker charges policy reversal.” I do not see anything in the former one that the Liberals used to send out, about anything that the C.C.F. had said, but I do not know whether that is propaganda or not.

Another reason I believe why we were elected is because of our power programme. A few years ago, Mr. Speaker, if you drove through the province at night, you would see some towns that were lighted up, and you would see others in absolute blackness; it felt something like driving past a graveyard at night. Today, there are very few towns or villages in the province that have not got power. In my own constituency, the city of Yorkton was the only place that had electrical power previous to 1944. Today, there are only two hamlets that have not got it, and I certainly hope they will be getting it in the near future. that is quite a change.

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You also notice, if you drive through the country on an evening, now, you see the farmers' yard-lights dotted all over the prairies. It is a very cheerful sight; you know the farmers are doing their chores in a very much more convenient manner. It is certainly much more cheerful than the blackout we had under the former Liberal government.

Now my time is almost up, Mr. Speaker, but I do want to mention, and I think I have mentioned it before, possibly, in this House, that now I have part of the old constituency of Saltcoats, and it goes right to the Manitoba border and I have made it my duty, or rather it has been a privilege, to go over and visit on the other side of the border; and we have heard a lot about the Blue Cross. I think the Leader of the Opposition has mentioned it, and I have no doubt that he would not mention it or compare it with ours, if he did not wish the people to believe that it is a better system. Now I went to a home where there were three elderly people, and I asked them, in discussing our Hospitalization Plan, what they thought of the Blue Cross, and they said they did not know much about it, but they did know that they could not qualify. I spoke to younger people and they thought it was all right; but any plan that does not take care of our old people, who are more apt to need hospitalization and possibly for longer periods, certainly is failing to meet the needs of the people of a province. I also visited old-age pensioners and I found that they were not receiving anything but their \$40; they were receiving no health services or any subsidies at all.

I went and got the tax notices from farms on this side of the border, and I went over to the other side and compared assessments of the same value, and found, at that time, that the taxes were 100 per cent higher in Manitoba than they are in Saskatchewan. I found cancer patients who were paying the full cost of cancer treatment. If they had lived a few miles over the border in Saskatchewan, they would receive all the benefits they needed, the most modern equipment that could be used.

I also compared our car insurance, and I was told by a man on this side, that he had paid \$28.50, last year, for an Oldsmobile, and that his son-in-law in Winnipeg had paid \$119, for a Chevie, and this man said he had very much more protection than his son-in-law had; and by the way, this man was not a supporter of the C.C.F.

So we certainly have no reason to be ashamed of what this Government has done, and when you compare it with other provinces, you realize that. So I do not think there is any doubt as to why this province voted C.C.F. in the last election, and this budget will give them continued confidence in the Government, so I will support the Motion, Mr. Speaker.

Mr. Harry Gibbs (Swift Current): — Mr. Speaker, this is my first appearance as far as speaking is concerned, since we have been in session, and I would like to hand out, in the first place, a few congratulations – and first to your self, Mr. Speaker, as being once again elected Speaker of this House. I think you have been very fair, and I think you will be there a long time yet.

I would also like to congratulate the new members of this House – our junior member from Regina, we have all had the pleasure of her company, and I think also that she is going to stay here a long time yet. And also the members on the Opposition side from Athabasca, Meadow Lake and Nipawin.

It was rather surprising to me, Mr. Speaker, after I had heard their initial speeches, why in the world they were sitting over on that side because, if you will recall, and possibly the members of the Opposition will see before they get through this session, that one of the Opposition side did, at one time, come over to this side of the House. He was sick and tired of sitting over there, and I might say to the three members I have mentioned that, if they are in the running mood, there is lots of room around the ends and they can make a good end-run yet before this Session is over.

Now, Mr. Speaker, once again, as I have been doing for quite a number of years, I have to extend my congratulations to the hon. Provincial Treasurer on the very fine budget he has brought down. And as I told the members of this House, last year, a lot of money would have to be spent in order to give the desired benefits and welfare to the people of our province. Well, I think the majority of the members will agree that last year's budget had the desired effect, because the proof of the pudding was in the eating and that took place on June 11 last. The people of our province liked the taste of it, and I think we will all have to admit that the hon. Provincial Treasurer is a very good cook. And to my mind, Mr. Speaker, he has excelled himself in presenting a very tasty dish for 1953-54 and I believe – and believe you me, Mr. Speaker, — with the work and progress that is set out for 1953, I am convinced that each and every one of us is going to derive many benefits from it, and it will not be 'pie in the sky'. We will have a bit of everything from soup to nuts!

You all have a copy of the budget speech on your desks and you have listened to the hon. Minister deliver it, so I am not going to labour this House by repetition because he explained and told you, to a great extent, about the things that affect our economy, such as agriculture, oil and gas development, minerals, health, welfare and education, telephones and electrical power, highways and industrial development, and, to my mind, it will be all to the good and welfare of the people of our province and, in general, it is most assuredly a budget of progress and expansion.

I think, Mr. Speaker, after he have he have heard, today, my hon. friend, the member for Notukeu-Willow Bunch and also my hon. friend from Yorkton, that they have given explicitly the reasons why a C.C.F. Government was returned on June 11 last.

Now you will have noticed, I am sure, Mr. Speaker, how quite and reserved our hon. friends in the Opposition have been all through this Session. What has happened? You will recall that in all previous sessions they were very cocky, and at the least remark or declaration of progress they were up and down in their seats like jack-in-the-boxes. You could not keep them down; and I have to concur in what the hon. member from Notukeu-Willow Bunch said, yesterday, referring to some member of the Opposition who remarked that he (the member for Notukeu-Willow Bunch) would not be occupying his seat after the election. Well, there you see him back again, large as life, with also a few more reinforcements around him, and I can say the same thing, because I believe, Mr. Speaker, it was my hon. friend the member from Arm River who pointed his finger at me and made a similar remark that I would not be here. No wonder his face is red now! What audacity! What audacity, Mr. Speaker! You would think by this time he would quite making predictions and try to read the crystal ball. Why my hon. friend from Arm River only just made it by the skin of his teeth, and a very thin skin at that, Mr. Speaker.

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Then again we saw another day. Last year, the member from Arm River was the financial critic for the Opposition. What has happened again? They have a new one; the member for Maple Creek (Mr. Cameron) this time was the financial critic. Well, that reminds me of a story I heard, Mr. Speaker, and it went something like this: There was a chap from the west and he went down to Montreal, and of course he could not speak French and was a stranger in town. He was walking up St. Catherine street or somewhere around there, and he sees a big crowd outside a church and naturally, being inquisitive, he goes up there to find out what it is all about. He finds out that there is a wedding taking place and he stood next to a Frenchman and he said: "Who is getting married?" The Frenchman said, "je ne sais pas." So, in the afternoon – this had taken place in the morning – he was walking up this street again and he came along to the same church and there was another big crowd around there, and evidently there was a funeral in progress. So, lo and behold, his same French friend was there, and he asked him again, "Who is being buried?" The Frenchman said, "je ne sais pas." "Well" he said, "he didn't last long, did he?"

Well you see, Mr. Speaker, that is the same as our friend from Arm River, and the Opposition's financial critics – they don't last long, do they? So we will likely be getting a new one again next year.

I think you will recall, Mr. Speaker, and the members especially on this side will recall that, last year, for instance, when they were all over there telling us all we would not be back, how our good champion Premier would not be here. Well, the Leader of the Opposition had his eyes glued on this seat over here, and he thought he was going to be here; but you see it all backfired, it all ricocheted. They were even picking out the spots where they were going to be in the Cabinet. I know they were. But what happened? Well, look at them! It is too bad, I assure you, Mr. Speaker, it is too bad; but what can you expect when they run elections like they did, last year? Oh well, they will get wised-up some of these days.

Yesterday, my hon. friend and colleague from Eston was speaking and he gave a very fine speech. I enjoyed it, and I think every member of this House enjoyed it, because he spoke straight and he told them just what was doing and, if you will remember, he was elated, naturally, about that find town of Eston from where he comes and Elrose constituency which he represents. Well, I do not know whether the rest of the members know where I come from, but it is Swift Current, and it is on the main line west about 154 miles from here, and I am going to tell you, Mr. Speaker, it is a good city. Furthermore, it is beginning to boom – I see Walter looking at me now; but it is beginning to boom, and we all know what it is going to boom about.

But before we get to that I want to tell my Opposition friends about this bridge of ours again. I am not going to make any 'snide' remarks this time because my good friend, the Leader of the Opposition, knows what happened to our bridge, last spring and it was a shame; there is no doubt about it. You know there were a lot of tears shed when the bridge went down. We remember the time when our Premier and the Minister of Highways, myself, the Minister of labour, and quite a gallery including the member from Elrose, and we spoke to about 10,000 at the opening of that bridge. It was a remarkable sight, Mr. Speaker, and then after that it went out. We could not help it. It was the laws of nature, the backing up of ice and so on that put that bridge out; but I want to tell this House and you, Mr. Speaker, as my hon. friend from Elrose remarked, yesterday, that we will be going over that bridge

again about the middle of May of this year. And I also want to point out, Mr. Speaker, that not one Liberal Federal cent has been put into it again either. Do not forget that! This C.C.F. Government, who had the will and the guts to do these things in days gone by, did it again, and not one Liberal Federal cent has been spent on the restoration of that bridge. Furthermore...

Mr. Tucker: — I did not know it was built of that sort of stuff.

Mr. Gibbs: — That's right now Walter — and we have salvaged the girders and the steelwork, as much as we can, out of the river, and I want to tell my hon. friends, too, there were no horses on the payroll either — we used machinery, because after all is said and done we want to do these things, and we are doing these things for the benefit, as my friend from Yorkton said, of the people of this province and we are all going to have a good time.

Now then — oil. My friend, the Opposition Leader, told us in this House and on the hustings that there would never be oil found in Saskatchewan as long as there was a C.C.F. Government in power, but events have proved how wrong he was. We have oil, lots of it, and the discoveries have proved, as I said years ago, that if we will only give this province a chance and this Government a chance, these natural resources are going to come into their own, and therefore, after a while, we are going to be able to plow back a lot of the revenues that we derive off natural resources that belong to you and me and the children of this province.

So much for that. But in Swift Current, too, we have built a new hospital. I happened to be away at the time when our good friends the Minister of Health (Hon. T.J. Bentley) and the Premier opened that new hospital in Swift Current — one of the finest hospitals in the Dominion of Canada, and do not forget it. It was a C.C.F. Government — and I want to give credit to the Federal Government too, they did help it to advance; but it was with the plugging and so on and so forth of the C.C.F. supporters, myself included, that we got this hospital, and I tell you, Mr. Speaker, it is a dandy. You should come up there sometime and have a look at it.

And furthermore, Swift Current is co-operatively minded, and just a few weeks ago we bought, as you all know probably, the W.W. Cooper store, a departmental store in Swift Current right on Central Avenue, right down in the centre location; and the Co-op has taken over. I am glad they have, too, because after all is said and done, the Co-ops are expanding through the length and breadth of this province just like our C.C.F. movement has expanded, and that is the way it should be, because they never got anything from any previous government. So I say why in the heck don't they support it. They have to support it because they know they have got the benefit from it.

Yes, sure we are going to get gas. We are going to get lots of it — there has been lots in here, I know that, in this House; sometimes they call it the 'gas chamber' — but never mind about that. We are going to get gas in this province, Mr. Speaker, that is going to give us that cheap power that we have been long looking for. I would just like to read to you what one gentleman of the Socony Vacuum Company said, in Swift current, just a few weeks ago. He said:

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“If local capital fails to rise to the challenge presented by the housing shortage in Swift Current – and I know it is desperate – I feel that capital from Regina, Calgary and other cities will be coming in here to seize the opportunity from the people whom I hope to call my neighbours.

“John Townley, manager of the Western Saskatchewan Socony Vacuum office told that to a well attended meeting of the Citizens’ Association in the collegiate auditorium, Wednesday night. Mr. Townley dealt with the problems newcomers are facing in the way of housing shortage and strongly advised the mayor, city council, engineers and community planning board to look ahead to the future of Swift Current – which I firmly believe will become the oil capital of all of Saskatchewan.”

That is good, isn’t it? “With the coming of the oil industry to southwestern Saskatchewan, Swift Current has become a boom town ...” You haven’t heard that word for many years, have you – just imagine, booming! And booming under a C.C.F. Government!

“Mr. Townley said there was every indication of a bright future for the city. Its geographical position and railway and highway facilities were also contributing factors. The rich wheat land and range land in the area were all part of the picture that may provide the centre here in future years.

“Mr. Townley said the housing problem was one that was being felt keenly by the new arrivals in the city. He said that in recent months, since the opening of the Fosterton oil field northwest of here, approximately 200 hundred families had already moved in, to say nothing of single men. The speaker said he had learned that the Chamber of Commerce is working on a special housing scheme and that an announcement is expected in the near future concerning this.

“Mr. Townley said, that in 1950, \$10 million had been spent in drilling, exploration and developing operations in the oil industry. This was doubled to \$20 million in 1951, and in 1952 the amount rose to \$50 million. He forecast a further increase for this year.”

And then our Liberal friends say “capital will not come into Saskatchewan!” Why, you ought to be ashamed of yourselves!

“Mr. Townley told us here that one of the major problems was not the availability of houses, but that the down-payments were prohibitive and many of the

people moving in here had only completed their schooling in recent years, and now had established homes of their own and as a result were not financially able to make such large down-payments as were being asked.”

Well, we all know the housing situation. We have been talking about it here; we are still talking about it, and that is just proving our contention. We have to have houses for the development of our province, there is no doubt about it.

And here is another one! Mr. J.R. Sarsfield, business manager of the Saskatchewan power corporation, who addressed the meeting and gave a detailed picture of the possibilities of gas for this area, said that he expected that within the next year or two Swift current would have natural gas, probably from a pipeline from Alberta, if not from a local field, and I believe, Mr. Speaker, that there is gas in close proximity to Swift Current. There is no doubt about it in my mind. So there you are.

Now then, our Minister of Highways, yesterday, gave us a remarkable picture of highways. I am not going to go into it extensively because I have no need to. We all know that we have better highways, today, than ever we had in the history of this province. And as far as I am concerned, Swift Current will be linked up, my constituency, as far as the Trans-Canada is concerned, will be linked up this year, and we are glad and I thank the Minister most heartily for what he has done in that connection. Apart from that, he told us how many millions he had spent on other than provincial highways, which is all to the credit of this Government; so, for land's sake! you guys over there do something about it, and give us credit when we are doing something.

Now my hon. friends across the way must be rather abashed after hearing that report I have just given you, especially my prosperous friend, the Leader of the Opposition, who stated that there would be no oil – no, I won't go into that again. I might say that I am sure my hon. friend has heard the song, 'I've got a lovely bunch of coconuts'. Well, I wish to inform you right now that I've got a lovely bunch of oil wells in Swift Current constituency, and I advise them, in future, to put on the soft pedal; and if you still believe we are not producing oil and minerals in this province of Saskatchewan, just whisper it in your own ear – don't blast your statements out to the public, because they will not believe you.

And do not forget there is a Federal election in the offing and from what I understand, the hon. Leader of the Opposition intends to be a Federal candidate – well now, go easy! At this time I am not going to make any predictions, but take a tip and cut out the shadowboxing. We on this side of the House, you know, fight our campaigns pretty clean, straight from the shoulder and roll with the punches and then come up and blind them with science. That is the way to win, and after that come up smiling and everything will be all right. I know, Mr. Speaker, we are going to miss our hon. genial friend over there. We really are, because he did us a lot of good in this election. In fact, he was one of our very best supporters and helped to elect us. But, nevertheless, I shall miss him, and I think a great number of my friends over here will miss the hon. Leader of the Opposition when he leaves. I do not know who is going to be the Leader; I do not think

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you know or anybody else. that will be the \$64 question, of course. But your friends in Ottawa will surely look after you, don't forget that. I am going to predict this once more; I predicted it a few years ago. Opposition members have sat right in those seats over there and they were made judges and one thing and another. Well, my hon. friend, if you miss out on the Federal election don't worry; they will look after you for life because there will be a judgeship coming to you, or if not they will send you down to the Senate in the 'old man's home', and you'll have a good time. So you have no need to worry. I just want to tell you – by jove, I'd better get on with it.

I would just like to touch, Mr. Speaker, on labour for a minute or two because you know I am a labour man; I have been a labour-Socialist all my life and I hope I die that way. We know our province is becoming more and more industrialized and that we have given labour the finest legislation on the North American continent, and we hope to continue to do that – at least I do and I am very certain that our Government does. But as we go on from year to year now the 40-hour week has come up, and look! I could show you oodles of stuff we got – “don't give it to them”, and I can show you oodles of stuff that wants it. So there you are once again, the fight between labour and capital is on; and I say, Mr. Speaker, that if it is at all possible for this C.C.F. Government of ours to put into effect 40 hours in this province, I for one shall be very, very gratified indeed. If they do not feel they can put in the 40-hour across the board across the province, then I would like to see them make experiments and at least try to invoke that in the three major cities of this province – Saskatoon, Regina and Moose Jaw. I think it would be most welcome, Mr. Speaker. I think that the labour man of this province has been looking forward to some more advancement in labour legislation.

The cry was “Oh, you put them on...” – I can give you all kinds of stuff in there, you know. It is all nonsense. You are going to die; you are going to be in poverty and everything if you are not up on this, that and the other as far as labour is concerned. It was always that way. They always condemned men. They always went against it. And members sitting on that side know that the Liberal Governments throughout the world were never for labour and never will be for labour. They have never even brought it...

Mr. Tucker: — We don't know any such incorrect statement as that, Mr. Speaker...

Mr. Gibbs: — Well, Mr. Speaker, my hon. friend may say that, but labour knows it. We have asked the Federal Liberal Government of Canada to bring down a national labour code for yeas and years and years and my hon. friend knows it, and they have not brought it down yet. Mr. Speaker, we know there is all this talk and they try to get the farmers split on labour and everybody else, and I just want to read to you – and I believe my hon. friend is going to agree with this because it is one organization that he does believe in and we all believe in it and I am going to quote from a small cut that was put in there, and it says: “Two-thirds of the people of the world get only about \$85 each year in income.” A pamphlet on property published Wednesday by the United Nations Educational Scientific and Cultural organization says:

“The average annual income in these under-privileged regions is \$85 a head. Millions in Africa, Asia and in Latin America are living just above a starvation level.”

Is it any wonder, Mr. Speaker, war is in the offing when that sort of condition exists? That is why, Mr. Speaker, I say we have got to fight for labour right from the bottom up in order to give us that security, not only here in Saskatchewan, not only here in Canada, but we have got to take the world, and once we get labour where they have got that decent standard of living and can call themselves human beings and Christians throughout this world of ours, then we are going to see comfort and peace throughout these lands of ours.

There is another thing I have been thinking about, Mr. Speaker, and that is I have been asked by people in my constituency about patents. I know this is a kind of an Irish mulligan speech but then, nevertheless, it is all right; we get it all in. And they were asking me if it would be possible for this Government to set up a patent office in Saskatchewan. Why? Because, they say, we have scores of people in the province of Saskatchewan who are more or less amateur inventors. they have got ideas, and I know for a fact that we have nothing in the province that gives them any protection whatsoever. they have got to submit their patents to Ottawa, and it takes a lot of time and a lot of money, and I know for a fact that there are many inventors in our province who have had their ideas stolen, deliberately stolen, by monopolistic companies throughout Canada. Now, that is not right, and I am just wondering, and I am putting it there for what it is worth, I wonder if we, the C.C.F. Government here in the province of Saskatchewan, could set up some kind of an office to give us that protection wherein any of our people in this province brings out a patent that is going to benefit the people of this province and Canada in general, that we can get some protection for it and that it won't be stolen from them as hundreds have in days gone by. that was just a thought.

Then, there is another. I saw in the 'Sun' the other day – the 'Sun' is our local weekly paper up there – I am not going to read it all because I have not the time; but he is talking about Bingo and how we can't have Bingo parties and all this stuff – it is a lot of nonsense, you know. I think, Mr. Speaker, that we are getting a little beyond the outer ridge when we start finagling about little petty stuff like that. there is no harm done in Bingo parties, and it says here:

“Now we note that the Attorney General of Alberta takes a chance of even losing a few votes by taking the bull by the horns and suspending operation of this prohibition until the Federal Government or Parliament does something about the foolishness of a law which opens its eyes at one thing, shuts it at another. Bingo is just one of the games of chance and is legal for charitable purposes only occasionally. The 'Sun' has always held that if fairs and exhibitions are allowed to bring into communities carnivals packed to the gills with unsavoury characters who operate wheels of chance for cash, which are patronized from everything from adults of 90 down to 'teenagers of 12 years old, then it should be legally possible every day of the year if necessary, not occasionally, for qualified organizations devoted to community and social welfare to raise money with innocent Bingo.”

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and, Mr. Speaker, I emphatically agree with that, and I would like to see some lotteries come too, and rake some money into this province, and I am speaking my mind like I spoke it before. As I have said before I do not want to be a hypocrite. I think these sort of things would be all right in the province of Saskatchewan.

I am just going to turn for a moment or two to the beer parlours, and I know that is a dry topic. Oh, by the way, to revert to patents for a moment, I would like to refer you to the 'Reader's Digest', page 71. You know, there is some good stuff there on patents, and how they are being robbed and all this, that and the other. You want to read it. There is one chap in there – I know my friends opposite will like this because he brought out a patent of a stopper – you could open a bottle of beer, have a couple of drinks (whatever that is) and it won't go flat. Isn't that a good idea, Mr. Speaker? – I am sure my friends over there will like that.

Well, anyway, talking on beer parlours – here we are again! I say this, Mr. Speaker: I do not see why anyone should be denied the right. As far as I can understand, to my knowledge, when the beer parlours first came back again after the prohibition years, everybody was given a vote on the plebiscite and the women voted as well as the men; each and every one of them had equal vote. I am going to tell you I do not believe we would have beer parlours today if it had not been for the women's vote. They were the ones that put it over. And yet, Mr. Speaker, they cannot go into the beer parlours and exercise their franchise. I'm going to tell you I would like to see that contested in court. When the women of this province exercise a franchise and then when it went through they were turned down, they cannot have it, there is something wrong somewhere. There is bound to be. Well, anyway, we have broken the ice, I understand and we are going to have a bit of tomato juice and grape juice and all sorts in the beer parlours. Well, that is a break; but just imagine, on each side of us, the province of Manitoba and the province of Alberta have got mixed drinking. What are you going to do about this? I am going to whisper into our Government's ear and tell them they had probably better wake up, because there is a big tourist traffic goes through this province of ours, and if they cannot get what they want in Saskatchewan, well they will have to stop in Manitoba, drive through Saskatchewan and hole-up for the night in Alberta. Now if we can do something, that will be all right.

Mr. Tucker: — May I ask the hon. gentleman a question? I was really surprised at his evident joy at the idea that we might have tomato juice in the beer parlours, but I wondered if I had heard him right that they are going to have tomato juice and other things in the beer parlours?

Mr. Gibbs: — Oh, it is understandable. Did I say Alberta? Probably I meant Alberta. We will have to talk about it anyway. The long and short of it.

Once again I have got to come back to that topic of peace and once again I am going to line myself with the Premier of this province in what he said the other day on peace. Mr. Speaker, this has gone on about long enough, and I am going to support any society of proven authority that is going to fight for peace in Canada and peace in this world. My friends over there, some of them, know what it is. They have been in wars; they know of the devastation, the butchery, the slaughter, everything that goes with warfare. I do not need to repeat that. We on this side of the House know it

and I, for one, am going to take my stand to do away with warfare as long as I live and, as I say, any peace movement that will come and meet us, and it is authentic, I am going to stand behind it because, after all is said and done, if we are going to live a comfortable pleasurable life, raise families, educate them and live the way we should live, we have to do away with warfare; we have got to do away with the mass destruction of humanity, property and countries all over this world. I am sorry I did not bring the picture I have at home of that terrible bombing of Nagasaki and Hiroshima, some years ago, when they used the atomic bomb. It shows a picture of human beings maimed and scarred for life – atrocities, in fact they are monsters, when you look at the pictures the way those terrible weapons of war have left the people even of this century. It is degrading to Christianity. It is degrading to the people of this world, and it is about time we put a stop to it, and I, for one, Mr. Speaker, and I am sure those on this side of the House are all for a peace programme and a cease-fire movement.

Well, Mr. Speaker, I think I have said about enough now for today, but in conclusion, as I said, I told you that my friends over there had made a lot of predictions and none of them have ever come true; but I think they are going to make a prediction today that will come true because before we leave probably this Session – oh, there are a few of us will have a “wee doch and doris” and all this, you know; but before we leave, I am going to tell them that today they are going to make a true prediction because that will be when I sit down they know I shall support the motion.

Mr. J.W. Horsman (Wilkie): — Mr. Speaker, I have listened since these debates started with a great deal of interest to all the speakers. I always do that. I want to take this opportunity to congratulate them on the efforts that most of them have made. I would like to congratulate the member from Swift Current for his good-natured ridicule (a lot of it), this afternoon, but he was good-natured about it anyway. I am glad to see him so happy and to know that Swift Current is booming the way it is and that they have opened up an oil field in that vicinity. Very glad to hear these things.

I would also like to congratulate the Provincial Treasurer on the able manner in which he presented his budget. The fact that it is the largest budget we ever had in this province is not necessarily a bad thing. If the money is used wisely and distributed fairly, I do not think anyone would complain about a large budget; as a matter of fact it might have been even larger. But that seems to be the trouble as far as I am concerned.

The hon. member for Yorkton, speaking a few moments ago, said that when the C.C.F. came to office in Saskatchewan there were no roads at all in his constituency. I would just like to say, Mr. Speaker, that very same condition exists in my constituency now. The only roads we have there are roads that were built many years ago by the Liberal Government, and with all the millions that we are spending on roads I think they overlook certain places and I do not think it is fair. That is why I say, with a large budget, if it is wisely spend and the money fairly distributed, no one should have any complaint.

Well, we have had a wonderful year, the most prosperous year in the history of this province; wonderful crops, wonderful weather in the

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Spring, wonderful weather to take the crop off in the Fall. We have had a lovely winter, and everybody should be happy and look to the future with every confidence.

I do not intend to take up any more time of the House, this afternoon, Mr. Speaker, so with these few remarks I would beg leave to adjourn the debate.

(Adjournment motion agreed to)

MOTION RE FREIGHT RATE INCREASES

Moved by Mr. Thair, seconded by Mr. Feusi:

“That this Assembly, alarmed at the recent succession of freight rate increases urges that the Board of Transport Commissioners recognize the heavy burden placed upon Western and Maritime provinces by those increases and devise means of lightening the impact on these regions when rendering decisions on applications; and further, that this Assembly commend the Government of Saskatchewan for its consistent fight to secure a just freight rate structure.”

Mr. W.S. Thair (Lumsden): — Mr. Speaker, in speaking to the motion that appears under my name on the Order Paper, I would like to say that the problem of the freight rate increases continues to be one of the most important problems before the people of western Canada at the present time, and I believe it promises to become the red-hot problem in the future, in view of the recent decision of the Board of Transport Commissioners. It is quite apparent to every one that there is no way of satisfying the C.P.R. or the C.N.R. for that matter, of course, who have to follow in the footsteps of the C.P.R. and yesterday, as outlined by the Hon. Mr. McIntosh, we received the news that the C.P.R. had been granted a further increase of some 7 per cent in freight rates.

In view of the fact, Mr. Speaker, that there has been a number of freight rate increases, during the past years, we believe, in accordance with the emotion, that greater recognition should be given by the Board of Transport Commissioners to the tremendous handicap that is placed on the western provinces because of high freight rates and, in common with all the other members of this House, that greater consideration should be given to the briefs as presented to them on behalf of the various western provinces.

In the meantime, Mr. Speaker, one application after another seems to follow in a merry chase for increased freight rates by the C.P.R. which I should like to list here. But first I wish to state that freight rates are a heavy burden on the farmers, and particularly the farmers of western Canada, for various reasons which I shall list.

The first is that wheat and other grains involve long hauls to market, and the cost must be paid by the farmer to the storage point at Vancouver, or at Churchill, or at Fort William.

The second is that all prices of livestock are based either directly or indirectly on these central markets, and they are often hundreds

of miles away, even sometimes up to 2,000 miles away from the Saskatchewan producer.

The third is that the main markets for wheat, barley and other farm products from Saskatchewan are in many cases outside of Canada and across the oceans, and the Saskatchewan farmer also has to compete with the farmers or the producers from other countries, who have the short hauls, in the various parts of the world.

So the farmers of the prairie provinces, Mr. Speaker, are be-devilled and have been for a long time with a long and costly freight haul for the major part of their export production. Quoting from Hansard, there was a question asked in the House of Commons on February 25, 1952, and the answer shows that, up to the present time, the increases in freight rates since 1945 are as follows: The first increase was some 21 per cent which was followed by a 20 per cent increase, then a 17 per cent and, later a 9 per cent; and yesterday, I believe, Mr. Speaker, another 7 per cent increase, making an accumulated increase, since 1945, according to the 'Leader-Post' of yesterday, of 98 per cent. The total amount of these increases, I believe will be in the neighbourhood of from \$600,000 to \$700,000 and it is estimated that more than 50 per cent of this amount would be a levy on western Canada, particularly.

In addition, there is also one more application before the Board of Transport Commissioners for further increased freight rates. In addition to these increases that have been granted the C.P.R., the railways are pressing hard for a 6½ per cent guaranteed return on their rail investment. The total rail investment, I believe, of the C.P.R. is set at \$1¼ billion, so this would mean an extra levy on the public of about \$800,000 per year. At the present time the C.P.R. claim that their earnings are something over 3 per cent – that is the returns on their rail investment, and they are now asking for 6½ per cent. The investment might even include a lot of 'watered' stock, according to reports.

It is a very noticeable fact, Mr. Speaker, that Ontario and Quebec have never appeared to take any objections to the freight rate increases. These two provinces are protected by truck and water competition and short hauls for their products. Indeed, as far as I know, Ontario and Quebec have never appeared before the Board of Transport Commissioners and objected to any of the many applications of the C.P.R. for increases. Ontario and Quebec, I feel, are protected well by water and truck.

I think it is unfortunate, too, that we have no representative from western Canada (except one from B.C.) on the Board of Transport Commissioners. It was unfortunate, I believe, that when His Honour the Lieutenant-Governor resigned his position to take over his present one, no one was appointed from western Canada. A Mr. Shepherd from Kingston was appointed – there are five now representing Ontario, one representing British Columbia, and none from the three prairie provinces.

It is a fact, I believe, according to the 'Winnipeg Free Press' that freight rates are lower in the east than they are in the west. Over the past some 29 years, it has been estimated that the net earnings of the C.P.R. were more than twice as high in the west that they were in eastern Canada, according to a return that was filed by the C.P.R. with the Transport Board, in one of its presentations.

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In September, 1953, Dr. Hope, the Economist for the Canadian Federation of Agriculture, appeared before the Board of Transport Commissioners and spoke of the persistent insistence of the C.P.R. to separate the rail and non-rail enterprises of the company, and he says, (I am quoting Dr. Hope):

“That this is the main problem or cause of most of the arguments between the C.P.R. and the Board of Transport Commissioners, who were supposed to represent the public.”

The C.P.R. has always been allowed to operate its non-rail enterprises along with the railway, but it is understood that, at all times the non-rail enterprises (and I am quoting from their Charter) have been permitted only on the express understanding that “they would contribute to the main purpose of the company, which is to operate a transportation system in the national interest.”

With regard to this matter, Mr. Speaker, Dr. Fowke, Professor of Economics, Saskatchewan University, made a brilliant and a scholarly address or presentation on behalf of the eight provinces opposing the C.P.R.’s application for a guaranteed 6 ½ per cent return on its capital investment; in October of 1952 Dr. Fowke said – and I quote from a report in the ‘Western Producer’:

“The C.P.R. is seeking to separate its rail revenue from those of its non-rail enterprises, which are paying large dividends.”

And he proved beyond a doubt, on more than one occasion, that the C.P.R. was allowed to go into non-rail enterprises for the purposes of the company as set out in their charter, and anyone who has read the brief presented by Dr. Fowke will recognize these statements.

Dr. Fowke also quoted from a statement made by Sir William Van Horn, in 1881, General Manager of the C.P.R. at that time: “I expect the sideshows (that is all these subsidiaries) to pay the dividends.” And in Dr. Fowke’s words, “The C.P.R. Railway Company has, from the time of its inception, persisted in the policy of retaining these sideshows for the benefit of the company, and not the railway.” He further stated that it was considered that the C.P.R. railroad was part of a broader national policy which envisioned a Canadian nation from coast to coast, as set out in their charter; and again I say that if you read the Charter carefully, you will find that that was the objective sought by the Dominion Government at that time.

Mr. Speaker, I should like to give a partial list of the grants and subsidies, and the benefits of all kinds, that have been granted to the C.P.R. over the past 70 years: It was granted a subsidy, in the first place, of some \$25 million and 25 million acres of good land, before the railroad was ever built. It is estimated that the sales and earnings of 1951 grossed the company nearly \$10 million, which included over \$2 million from oil royalties. The revenues from these lands account of these land grants account, is carried on the books of the C.P.R. at \$74 million, at December, 1951. The information that was given some years ago at the Royal Commission, Mr. Speaker, indicated that the C.P.R. owns or operates or is financially

interested in 77 railways in the world. In addition, it owns or controls 23 non-operating companies, involving hotels, restaurants, steamships and ferries, trucking and bus systems, elevators, stockyards, abattoirs, airlines and telegraph systems, manufacturing plants and trust companies, mining and real estate businesses. The C.P.R. also owns the title to petroleum rights on more than 11 million acres of land, according to the latest figures which it carried on its books at only one dollar.

I would like to mention, also, that the revenues from the Consolidated Mining and Smelting Corporation – and anyone who uses fertilizer in farm operations will realize the difference in price; at the present time it is \$108 a ton and in 1944-45, \$61 per ton. Consolidated Mining and Smelting corporation, which was just a non-rail enterprise or a sideline at one time shows profits of the above company were nearly \$19 million in 1951 and it is believed they may approximate \$25 million in 1952. These over 100 subsidiaries or non-rail enterprises have been largely accumulated out of the freight earnings of the earlier years of the C.P.R.

In conclusion, I would like to quote a few statements from Dr. Hope, Economist for the Canadian Federation of Agriculture, when he presented a brief, in September, 1952, at Ottawa, before the Board of Transport Commissioners. Dr. Hope said, among other things rather prophetic, I believe, in their interpretation: “that the growing competition from trucks and pipelines, air transports and other forms of transportation, was drawing traffic away from the railroads at an alarming rate.” Before the Board of Transport Commissioners he also said, “the higher freight rate increases, which would give a guaranteed return to the C.P.R. of 6½ per cent on its railed enterprise, would go further towards pricing themselves out of the field of transportation.” I agree with the opinion of the Canadian Federation of Agriculture that if the Board of Transport Commissioners accepts the principle of this application of the C.P.R. for a guaranteed return of 6 ½ per cent, it will then have taken the initial steps for railway amalgamation in Canada. I believe that it would not be long before the public would demand that the C.P.R. railed enterprise be taken over by the Canadian Government at its real and not its inflated value. I would just say that my own interpretation of Dr. Hope’s statements would be that, through the march of time and progress in the field of new transportation methods, the railways are likely to become more or less obsolete, to a certain extent, in another ten or twenty years.

In closing I would ask: does this mean, Mr. Speaker, that the people of Canada and the three western provinces particularly, are going to be forced by law to guarantee a return of 6 ½ per cent on all railed enterprises for all time, no matter how obsolete it might become? Does it mean, also, that the C.P.R. can walk away with all its non-rail enterprises which are returning big profits today on the invested capital, based on subsidies, grants and other types of benefits and privileges which were granted to them by the Federal Government from 40 to 70 years ago? I would like to move the motion standing in my name.

Mr. Arnold Feusi (Pelly): — Mr. Speaker, on a previous occasion I have had reason to mention the freight rates and I am quite happy in seconding this motion, in that it gives me an opportunity of enlarging, and probably emphasizing, some of the points that the hon. member for Lumsden has brought up.

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In the 'Leader-Post' of March 9, we find: "Freight rates up 7 per cent." I would just like to read a bit and then refer to some matters here that I have at hand:

"The Board of Transport Commissioners today awarded the railways a general freight increase of 7 per cent, the fifth and smallest of the post-war series of hoists. The \$38,500,000 a year increase is the second in three months. On December 20, the railways obtained a 9 per cent boost to compensate them for wage increases to non-operating employees. The Board's judgment granted the full amount asked by the railways as an immediate increase. The Board authorized the railways to put it into effect, March 16. Apart from the 7 per cent application, the Board still has before it a railway request for a further 9 per cent general increase, and for a new method of setting rates, which would involve additional but unspecified increases.

"Today's Board decision was unanimous on the part of Mr. Justice John D. Kearney, Chief Commissioner, and the other members of the three-main panel. Further, the new decision brings to 98 per cent the cumulative total of general increases granted since the war. These increases have been applied to, roughly, half the railways' billion dollar a year freight business. In determining the amount of the increase awarded today, the Board again made use of a formula it had previously advocated, under which it regarded as reasonable for the yardstick, Canadian Pacific Railway to be able to obtain rail earnings of \$46,600,000 a year to meet fixed charges, dividends and surpluses."

Now I have here a list of the cumulative increases in rates as of 1948. Previously I had mentioned that we had lost, particularly western Canada had lost, a great deal of rail benefits given to western Canada by a previous Government, for the purpose of protecting agriculture in western Canada. In 1925, by a Liberal Government, we lost a great measure of those rights. Since 1948, there has been a further relinquishing of rights. We have been losing out day by day, and I would like to quote here what is known as the cumulative rates – it adds up somewhat like compound interest.

April 8, 1948, there was a 21 per cent increase; October 11, 1949, an 8 per cent – it rose to 30.7; March 23, 1950, a 7.4 per cent – it rose to 40.4; June 16, 1950, a 3.4 per cent and it rose to 45.2; June 26, 1951 – it rose to 62.6; February 11, 1952 – to 69.9; January 1, this year – to 85.2. The recent increases have brought it up to 98 per cent.

Now I would like to show a few factors as to how it affects a farmer, directly. I have here the rates of a tractor prior to the first increase on April 8, 1948. An average farm tractor weights 3,600 lbs., and at that time the freight rate was 128 cents per 100 lbs., and the rate was \$46.14 – I believe these are the Regina rates. In March, 1953, the rate had gone up from 128 cents per 100 lbs. to 242 cents per 100 lbs., or \$87.24; and now with a further increase to 98 per cent, it practically doubles it,

or brings the rate on an average farm tractor from \$46.14 to some \$92.00 more or less. on a self-propelled combine, weight 7,000 lbs., prior to April 8, 1948 when we had the rate of 238 cents per 100 lbs., the freight rate to Regina was \$89.60, as at March, 1953, 242 cents per 100 lbs., the freight rate was \$169.40, and with the recent increase it has brought it up to somewhere between \$178 and \$180 on a combine. It all adds to the average increase in the cost of production, Mr. Speaker.

Now the paper gives us a further bit of light in that it mentioned the Board also served notice, today, it intends to look into other freight rate aspects, including (1) the impact of increases on different types of traffic; (2) the question of whether some C.P.R. revenues not at present considered as part of rail operations, should be taken into rail accounts in determining the need for rate increases.

I wonder if I should burden the House again with a summary of the Crow's Nest Pass rates, Mr. Speaker, it is very pertinent to the point. I would like to mention here that part of the C.P.R. earnings has been derived from the benefits they obtained from the Crow's Nest Pass rates as originally set out. Since that time they have crept out from under a great deal of their responsibilities. I did mention, previously, that there was the fear that they were going to creep out of the last of their responsibilities. I feel that the Board of Commissioners should take that into consideration. We should be taking back from the C.P.R. these benefits that we gave them under the Crow's Nest Pass rates, because they are not living up to their commitments today.

One item in the extra earnings of our C.P.R. has come about in the last few years by means of a company of the C.P.R., the consolidated Mining & Smelting Company, obtaining ownership of a Government fertilizer firm, a firm that has manufactured, I believe, essential materials for war, but it also had the ability to manufacture fertilizer. Our farm organizations were interested in retaining some of those firms for the manufacture of cheap fertilizer in western Canada, and they were told that one of the firms was going to be retained, but it was sold by the Liberal Government for a quarter of its value – from \$19 million to somewhere around \$4 ½ million; and since that time the price for fertilizer has gone up from \$65 a ton to \$108 a ton. The C.P.R. is getting those earnings, Mr. Speaker. They do not wish those earnings to be considered at all when they go to the Government or the Board of Transport Commissioners for an increase. They wish only to have the needs of the railway considered. I would be very much against this Government or the Federal Government, and I think my colleagues would be very much against any government subsidizing a railway under those conditions, and I take great pleasure in seconding this motion.

Mr. W.H. Wahl (Qu'Appelle-Wolseley): — Mr. Speaker, if I might be permitted I would like to say a few words in this debate.

First, I would just like to mention that with respect to a self-propelled combine, the freight on it from Toronto to Regina, in 1944-45, was \$125. The other day I paid freight on a carload of combines from Toronto, and it was \$235 a combine. Now I would not very seriously object to these freight rates providing one thing. The section boss in our town (and this is directly related to this question) had the misfortune to have a stomach ailment the other day, and he had to be flown by air ambulance to Regina in

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order to save his life, and he had a very serious operation. But during the time that he will be in the hospital and the time that he will be out of work, he receives no sick benefits from the railway, no wages; in no way is he compensated when he does not work. The point I would like to bring out is this: if the railways are permitted to raise their freight rates, which they say they need the money to do it, will the railway employee be forced to strike to get the sick benefits he deserves? Now, it is quite usual for most companies to pay sick benefits today. I can mention the Saskatchewan Pool Elevators for one. When one of their employees is sick they pay him his full wages, and at no time do you need the wages so badly as when you are sick. So I would like to register my protest and speak in favour of this motion protesting against the freight rate increases unless the employees on the railroad are allowed some benefits if this rise is permitted.

You remember the strike back in August 1949 or 1950, and we called the railway employees Communists because they were asking for a few cents per hour increase in their wages. The railway employees stated, and rightly so, that in order to live in this inflationary period that we are living in they needed extra money. So I would like to support this motion protesting against the freight rate increases.

Hon. L.F. McIntosh (Minister of Municipal Affairs): — Mr. Speaker, just a word or two in connection with this very important resolution. It was in the latter part of the calendar year 1946 that the Provincial Government received an invitation to be represented at an interprovincial conference to be held in the city of Edmonton for the purpose of giving consideration to what was then termed the “Mountain Differential Rate.” We agreed to attend this conference with Alberta and British Columbia, providing the Province of Manitoba also received an invitation. Shortly thereafter, the railway companies made representation to the board of Transport Commissioners for an increase in freight rates.

From the time of the first application up to the present time there has been very close harmony and association with the Maritime Provinces and the four Western Provinces. Each Provincial Government through its technical staff takes the view that the question of freight rates, the question of increased freight rates, the overall question of transportation, was of national significance and important to all Canadian citizens. This recent 7 per cent increase came as a great shock to the solicitors and others closely associated to this recent increase. It is rather interesting to note that the total increases from April 8, 1948, to December 31, 1952, has increased the Canadian freight rate bill, or the freight rate bill to the Canadian people, some \$600 million.

When we look at the picture for 1953, taking into consideration the recent award of 7 per cent, the citizens of Canada will be paying, in this calendar year that we are now in, \$285¾ million more in freight transportation than they did prior to the first application of the railways for an increase in the freight rates. In addition to the recent award the Railway Association of Canada has before the Board of Transport Commissioners a request for a further 9 per cent increase, and they also argued in favour of a new rate-making base termed a “rate of return” which involves a rate of return on the capital investment of the railway companies in rail transportation. The C.P.R. argue that they have invested in rail transportation

\$1,146,000,000, and they are asking for a return on that investment of 6½ per cent.

Now, if we take into consideration the two pending applications, we find that the 9 per cent would give to the railways (that is the C.P.R. and the C.N.R.) a little better than \$50 million, and if you add to that a rate-base rate of return approaching the figure of 6½ per cent, it would add to the freight rate bill of the people of Canada another \$62 million.

Might I again state that in 1953, taking into consideration the recent 7 per cent award, the citizens of Canada will be asked to pay \$285¾ million more in freight. Hanging over their head is also the 9 per cent application, plus a rate-base rate of return on the capital investment of the railway companies in rail transportation. Now, this increase has meant a great deal to the people of the province of Saskatchewan. When you take into consideration our geographic location, taking into consideration the tonnage of freight moved in and out of the province of Saskatchewan in order that our people may carry on the type of economy in which they are engaged, the weight of the increased freight rates fall heaviest on the prairie provinces of western Canada. The railway companies have argued that there has been an increase in maintenance expenditures, in the cost of maintenance of the railway lines. I think we all agree that there has been an increase in the cost of materials and an increase in the cost of labour. The railway companies say that, according to an exhibited file before the Board of Transport Commissioners, in 1939 the C.P.R. spent \$48 million to round figures in maintenance of ways and structures, combined with equipment, giving them a total of \$48 million for maintenance in 1939. They estimate in 1953 their maintenance cost will be \$198 million. Canadian National Railways spent \$69 million in 1939 for the same purpose; they estimate their cost will be \$263 million for the year 1953.

Now, Mr. Speaker, it is true there has been an increase in volume of traffic, but it is also true there have been strides made in the dieselisation of their operations. The counsels for the various Provinces found it very difficult to accept the railway figures for that tremendous increase in maintenance cost in that short space of time. The Provinces argued, particularly at the recent freight rate cases, that the other income should be taken into consideration because, as stated by the mover of the resolution, the other income was derived from investments made, and the investments were made from the profits of rail. In 1951, for example, the other income, according to the Annual Report of the C.P.R. was just under \$30 million, and their income from petroleum rents and royalties was \$2,200,000. Now the hon. member for Lumsden made mention that the C.P.R. had 11 million acres in which they have the oil rights. One can visualize in the not too distant future this \$2,200,000 that they received in 1951 for royalties increasing to an extent beyond the \$29 million of income from other investments.

We also on many occasions raise the question of the loss in passenger traffic and ask the railway companies why the person having freight moved should pay for the losses sustained in the passenger traffic, and it was suggested to the Board of Transport Commissioners that they ask the railways to give consideration to increasing the passenger rates. It is rather interesting to know that, according to an exhibit filed before the Royal Commission on transportation by the railway companies, the loss of the two

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main railway companies amounted to between \$56 million and \$58 million in their passenger traffic services in the year 1948. It is quite true that railways have very heavy competition from private cars and from bus transportation, but as they increase their freight rates they are moving a larger tonnage of the most profitable freight off rail onto the roads. This recent increase will undoubtedly take a very substantial quantity of additional freight off rail, place it on roads, particularly in the two central provinces of Canada.

We here in the province of Saskatchewan, and to a great degree in common with the Maritime provinces and the other prairie provinces, feel that the full weight of freight rate increases will fall upon the Maritimes and the Western Provinces. They suggested before the Royal Commission that consideration be given by the Board of Transport Commissioners to holding an inquiry, and to try and work out a plan of equalization of freight rates. Next month there will be hearings in the city of Regina on equalization.

Mr. Speaker, this may be a long way from the solution to the problem of transportation. If there is going to be equalization in freight rates, and if the railway companies require the amount of money that they now have for the movement of freight, then the only place in which you can decrease the freight cost would be in the Central Provinces in order to get a greater measure of equalization across Canada, and any increase in L.C.L. and local freight in the Central Provinces will force a greater tonnage of freight from rail onto roads. We sometimes here on the prairies feel that the day could come when the only freight that was moved on rail would be grain, lumber and minerals. This raises a very important question, the question of the future of rail and highway in the whole scheme of transporting goods and services from one end of Canada to the other.

In the meantime it appears as though the railways are pricing themselves out of the market, and there are those associated with the railways that are somewhat concerned. The question arises, do they need these freight rate increases in order to give efficient rail service to the people of the Dominion of Canada? It is rather interesting to note, Mr. Speaker, that the recent quotations for the C.P.R. shares are now \$31.25, and it is also interesting to note that when they issued a debenture to the public it was oversubscribed in less than 48 hours – a \$35 million debenture issue oversubscribed in less than 48 hours.

In conclusion, Mr. Speaker, I think it is just as well for us to note that, at one time prior to World War 1, a very substantial percentage of Canadian Pacific Railway shares were held in Great Britain. Following World War 1 Great Britain, because of its position as a result of its part in the war, found it necessary to liquidate many of her overseas and foreign holdings. Among them was C.P.R. stocks, and if we looked over the records today, we would probably find that over 50 per cent of the C.P.R. stocks are held in the United States of America. And it was rather interesting, in the last two freight rate hearings, that quite a number of American witnesses appeared on behalf of the railways.

It would be rather interesting to see what the Board of Transport Commissioners do with this rate base and rate of return. Now are the Board of Transport Commissioners, a judicial or semi-judicial body of the Federal parliament of Canada, going to suggest to the Canadian freight payer that

he must guarantee a 6½ per cent return on the capital investment which is held very largely in the United States of America? Again let us keep in mind that, from early 1948 to December 31, 1952, the freight rate bill has increased \$600 million and that in the year 1953, the Canadian people will be paying \$285¾ million more in freight than they paid prior to the increases coming into effect, also having in mind that there is a 9 per cent application pending and a freight rate base-rate-of-return argument to be settled by the Board of Transport Commissioners.

The resolution introduced by the hon. member for Lumsden (Mr. Thair) and seconded by the hon. member from Pelly (Mr. Feusi) I believe is timely, and I would appreciate very much seeing unanimous endorsement of this resolution by this Assembly.

Mr. Tucker: — I would like to ask the hon. Minister a question. In view of the attack by one of the hon. members on the other side on the Crow's Nest legislation as I understood it, I wondered about the counter-attack now being made by the C.P.R. on the same legislation. I was under the impression that the Government upheld the Crow's Nest Pass legislation as very beneficial to western Canada, and I would like to know if that has been the attitude of the Government?

Hon. Mr. McIntosh: — Yes, that has been the attitude all through the freight rate hearings and before the Royal Commission.

Mr. Tucker: — Because it is the one thing now that does stand as a bulwark against increases in regard to the shipping out of grain, and it is one thing that we would certainly want to stand behind, I would say, Mr. Speaker. About the resolution itself I would say that we on this side wholeheartedly endorse it, and I would like to commend the mover of the resolution for the very splendid way in which he presented it.

Hon. Mr. McIntosh: — Mr. Speaker, I understood the member from Pelly to say that we had lost some benefits that were originally included in the Crow's Nest Pass Agreement. If my interpretation is correct the hon. member from Pelly is correct in saying that amendments, I think back about 1925, to the Crow's Nest Pass Agreement took out of that agreement the movement of some commodities westward; the but wheat, the grain that is exported is still fixed by statute under the Crow's Nest Pass Agreement. Now, I may have misinterpreted...

Mr. Tucker: — My understanding, Mr. Speaker, is that at the time it was regarded as being very beneficial to western Canada because the Crow's Nest Agreement only applied to certain points on the main line of the C.P.R. and, in order to make it apply to all of western Canada, it was agreed then to apply it to grain being shipped out of the country and was not to apply to imports, to goods being brought in; but at that time it was gladly accepted by everybody in western Canada as being beneficial legislation. I suggest that the hon. members do not continually attack this, because the C.P.R. was after this Crow's Nest Pass legislation hammer and tongs, and I do not think we should be continually throwing doubt on it.

Mr. Feusi: — Mr. Speaker, the Crow's Nest Pass Agreement was a very...

Mr. Speaker: — Is the member speaking on a point of privilege?

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Mr. Feusi: — In reply to the Leader of the Opposition. At the present time there is a feeling among our farmers in western Canada that the sincerity of the Government at Ottawa is not too good in this, that what is left of the Crow's Nest Pass Agreement is somewhat likened to probably the tail of a dog. The dog is already gone, and they are defending the tail, but we want to make sure that that is not lost as well.

Mr. Speaker: — Order~! Order! The gentleman is out of order.

Mr. Thair: — In closing the debate I will just make a short statement and say that the farmers of western Canada are 100 per cent behind the present Crow's Nest rates as I am myself, and we realize they are low, very low perhaps, but they are under statute of parliament, and we trust and hope they will be continued. I was given to understand that perhaps if we discussed the matter we might open up the question to lead the C.P.R. to believe that we were not satisfied with them. We are satisfied with them 100 per cent, as far as I am concerned.

(The question being put the resolution was agreed to unanimously.)

The Assembly adjourned at 5:40 o'clock p.m.