

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Twelfth Legislature
30th Day

Thursday, March 26, 1953

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

The Assembly resumed from March 24, 1953, the adjourned debate on the proposed motion of Mr. Wooff:

“That this Assembly, recognizing that the merits of the Wheat Board principle of marketing are now firmly established, urges that the Federal Government call a conference with a view to adopting a similar national marketing scheme or schemes for the marketing of livestock, dairy, poultry and other agricultural products, and that this marketing policy be part of a permanent programme to stabilize the agricultural economy of Canada.”

Mr. G.H. Danielson (Arm River): — Mr. Speaker, when the Minister of Agriculture (Hon. Mr. Nollet) discussed the motion that is now before the House, a few days ago, I think he talked about everything but the motion itself. It is not my intention to wander all over the place as he did, but I am going to try to point out a few things in regard to this matter which are on record.

After all, Mr. Speaker, I cannot help having a feeling which is quite strong, that this is a method whereby this Government, after nine years in office, is trying to step from under and throw the whole responsibility for certain actions right onto the Federal Government. I remember, back in 1945, the then Minister of Agriculture (who at the present time is Minister of Municipal Affairs) brought an Act into this House which, for short, we called The Natural Products Marketing Act. I think it is Chapter 18 of the 1945 statutes, and I would recommend to every member in this House who hasn't read that Act (it is not very long) that he sit down and carefully read it and think over what it means.

There was another Act which came into being just previous to that, and that was The Crown Corporations Act. Now these two Acts, Mr. Speaker, were no doubt intended to be the cornerstone of the Socialistic State of the province of Saskatchewan. There is no doubt about that. The Premier went to Winnipeg at that time, or shortly afterwards, and he made a speech down there in which he said that his Government, the C.C.F. Government in Saskatchewan, had set the base and laid the foundation for the socialistic state here, and that they were thus proceeding to build the edifice as they had planned.

And I remember when they brought in this Natural Products Marketing Act — as a matter of fact The Crown Corporations Act was set up, then, to get this stranglehold on the industrial development of this province. The Natural Products Marketing Act — its whole purpose and aim was to get full control of the agricultural products of the province of Saskatchewan, because it covered everything on the face of the earth except wheat, so far as agricultural products were concerned. That is the only product that was excepted

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from the regulation and control of that Act. I remember when the Minister brought it in. I had the courage at that time — which I have had a little of, ever since I came here — to get up and demand that there be a vote taken of the province before this Act was put into operation. I did that — sometimes I am sorry that I did — because I think perhaps it would have been better if this Government had gone ahead with the compulsory ideas that they had in mind at that time. But, finally, after some argument back and forth, the Minister grudgingly consented that he would see what could be done. Well then, at the next sitting of the House, or the next time the Act was brought up for discussion, he comes in with an amendment to the Act which said that 51 per cent of the persons entitled to vote on any given commodity would be required before the Act could come into operation governing that particular commodity. Well, Mr. Chairman, I wonder if he could have made it any less than the one per cent. I wonder if he could have made it any less than 51 per cent and had a vote at all. So that is the concession we got.

Well, things went along until January 19, 1950, which was quite a few years afterwards. We hadn't heard a thing about this Act except for a few months after it passed through this House, and then, finally, in the C.C.F. paper in this province, that they call the 'Saskatchewan News', we had a statement by the Minister of Agriculture at that time, that it had not proven opportune; there had not been a good opportunity nor had it been practical to put the Act into operation. So, in 1950 — that was five years after the passing of the Act — he then appointed a Board to regulate this Act, and I have the names of the persons appointed here. I shall not read them, because they are a matter of record.

Now this is 1953, Mr. Speaker, and up to date there has been nothing done whatever — not a thing done. But, there are certain provisions in that Act, which I think are all right. There is the section of the Act which deals with the complementary legislation — the action that would have to be taken by the Federal Government in order to make this Act operative outside the province of Saskatchewan, whereby it could have been carried on on an inter-provincial basis. That is the only sensible thing about the Act, because I think, at that time, the Government realized its limitations to the extent that they knew they could not cram compulsion down the throats of the people when they got outside the province of Saskatchewan, and that they had no control which would act on the activities outside the province of Saskatchewan.

Now then, that is the situation. Since that time, Mr. Speaker, there has been the period after the war, which, of course, has brought many changes in circumstances. The Dominion Government during wartime assumed certain powers to do certain things, perhaps, which might be very questionable whether it was in their jurisdiction to do or not. Other people at that time were willing to submit to that jurisdiction in regard to regulations, because it was in the best interest of public welfare. One question of jurisdiction between the Provinces and Dominion came up in the Prince Edward Island Potato Growers' Association and it came to the Supreme Court of Canada and they had given a certain verdict in regard to that, which simply bears out the matter which we had, previous to that time, which was handed to the Dominion Government in regard to margarine. They held, Mr. Speaker, that that was a matter within the jurisdiction of the Provinces and not a matter for the Federal Government. It was not a judgment, but was advice which was asked for by the Government in order to guide them in their actions.

In regard to the case of the potato growers, the Supreme Court of Canada has given its ruling and they have told the people of Canada very clearly that matters of this kind — marketing boards and such things — are matters for the Provincial Governments, which was, as I said, pretty well accepted by right-thinking people previous to that time. The attitude of the Dominion Government still is, and was previous to that, to the effect that they themselves were willing to do anything it was in their jurisdiction to do in assisting the Provinces of Canada to do the very thing that they desire, within their jurisdiction, insofar as marketing agencies, co-operative or otherwise, within the provincial boundaries of this Dominion are concerned. They passed supplementary legislation to that effect on the strength of which there is no need for the Minister of Agriculture of this province or anybody else to go any farther on that because the whole set-up is there for him to take advantage of. And that acceptance was visualized when they passed the Natural Products Marketing Act, in 1945, which is now Dominion legislation.

So what he should have done, before he delivered a speech like he did the other day, was to turn up the statutes of 1945 and read that piece of legislation in Chapter 18. And he could see that, when the Minister of Agriculture brought that Act into the House (there are two or three sections dealing with that eventuality), it would require legislation by the Dominion Government in order to make this a workable proposition. It is already there. Now then, why hasn't something been done during all these years, Mr. Speaker, by this Government, to have stepped up this machinery and had this work done? Why hasn't it been done? That's a very fair question to ask every one in this House who is supporting this Government.

Sometime ago, there was a Board set up to market poultry in this province of Saskatchewan, and, as a matter of fact, there has been no news about the activities of the performance of this body, so far as I know, for a long, long time. I haven't heard anything about it from the time they were appointed. Whether they are in operation, today, or not, I don't know; but if they are their activities are clouded in mystery, because they have certainly not been a matter for publicity through the press, or any other source of information, that as a rule generally give that information to members during the time we are in this House or when we are at home. We must therefore take it for granted that this thing is not a workable proposition. Well, why should it be an unworkable proposition? I am going to get back to the statement I made when I started: This Government found out (and there is no doubt about it either) that the people of Saskatchewan do not trust the C.C.F. Government to meddle into their business and run their business for them. And that is why they refuse to be a party to this kind of thing. There is no doubt about it at all.

The farmers have their Co-operative Livestock Producers in this province and they are making a success of it. Years ago they founded that themselves with the assistance of the Liberal Government in this province, with assistance from the Wheat Pool, the Co-op. Federated and the farmers themselves. They advanced the necessary assistance to refinance and reorganize that organization, and they have gone forward and they have had good success with their activities ever since that time.

The Minister of Agriculture has, on more than one occasion been doing a lot of talking on this subject, and I have it here what he said on December 6, 1952 — that is not so very many months ago:

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“Mr. Nollet said the national agriculture production conference had deteriorated since the war, into a review of outlook conferences.”

This statement, of course, was made at the conference or annual meeting of the Ministers of Agriculture from all over the Dominion, and I think their deputies were present at that time, because that is, as everybody knows, an annual conference. Then he said this:

“He hinted that the Provincial Government was preparing a comprehensive plan for the marketing of all farm products. 'We are developing a plan for a marketing organization which will offer to you a comprehensive plan.' He said a comprehensive plan was needed and if the farmers got behind it they would get it.”

That is what the Minister of Agriculture said, when he gave a short report of what really took place in Ottawa. And that is what he said. And he said, just a few days later:

"A plan for a livestock marketing board similar to the Wheat Board will be submitted to Saskatchewan farm organizations, possibly in February, Agriculture Minister I. C. Nollet said Thursday.

"Mr. Nollet said that farm organization representatives had asked the Provincial Agriculture Department to work out a definite plan for marketing of livestock on a basis similar to that of marketing wheat and coarse grains, so that such a plan might have the approval of the farmers at last. The Department, when it had finished its work, would send it to farm organization representatives for study and any changes or amendments considered necessary."

Well now, this is the end of March, Mr. Speaker, and we still haven't heard anything about this 'master plan' which the Minister of Agriculture promised the farmers away back in September and October.

Now then, why hasn't something been done in this province? It has been done in other provinces; it has been done in provinces in this Dominion of ours where there is no C.C.F. Government to speak of and where there are no Socialists; it has been done by the capitalist farmers and other governments in the particular provinces. I have a report here from Ontario — it is a statement by the Minister of Agriculture, Mr. Gardiner, in regard to what happened in Ontario — not what is going to be done, or any plans they are going to produce, but what has been done! The Federal Minister said this when he attended the agriculture short-course sponsored by the Edmonton Chamber of Commerce and the Alberta Government:

"The province that will use this system to the best advantage will be those who follow the lead of Ontario. That province has 17 farm products under boards and Ontario is the province we would normally expect to be the last in making use of marketing boards."

He says this:

"Ontario has a Conservative Government — and I think by persuasion and privation, they are probably more conservative than any province in the Dominion. But they have gone farther in making use of the purpose of the legislation which they have in their province; and the Dominion Government, of course, has passed legislation to adapt itself to provincial legislation so that there can be workable machinery set up to do the very thing which the farmers, if they wish it, can utilize."

When the Minister spoke here, the other day, he never mentioned a word about those things. All he did, Mr. Speaker, was to use every minute of his time in condemning the Federal Government. Well, Mr. Speaker, that seems to be the only thing that the C.C.F. talks about any more.

Mr. Loptson: — Hear, hear!

Mr. Danielson: — They have exhausted every topic on the face of the earth. Many of them do not belong to the province of Saskatchewan at all, but the only thing they can do now is to get up on their feet in this House (and we have had six weeks of it now), and damn the Liberal Government at Ottawa. Well, let me tell you, Mr. Speaker, after all, that Government has been in power for many years and after all these years, you have to admit that, today, the people of Canada eat the most expensive beef and pork of any people on the face of the earth and that the farmers get the advantage of that.

Mr. Brown (Bengough): — Would the hon. member repeat that, I didn't quite get what he said.

Mr. Danielson: — I say to you, today, that the people of Canada who buy their products, their foodstuffs particularly mean products, are eating the most expensive beef and pork of any place on the face of the earth — and that is after 12 months, Mr. Speaker, of complete disorganization of our livestock industry through the foot-and-mouth disease. I think that is the record and it is a fact; and it is a fact my friends over there cannot get away from. After all your condemnation, after all your criticism, after all your ridicule, the farmers in the Dominion of Canada are getting better prices for their livestock today than in any other place on the face of the earth. You contradict that if you wish! As a matter of fact, Mr. Speaker, the meat products of the United States are coming in here . . .

Mr. Larsen: — And beating down the prices.

Mr. Danielson: — Oh, no, they're not. That's just a pipedream of yours; that's a pipedream altogether. I have information here from the member for Moosomin (Mr. McDonald) who is a farmer, and he points out that the return of hogs from the Winnipeg market is \$26.10 for grade B1 hogs on the Winnipeg market. This was shown to me for the first time yesterday.

Mr. Brown (Bengough): — What about Chicago?

Mr. Danielson: — I know the difference between Chicago live-weight and Winnipeg dead-weight. My friend doesn't need to think he's talking to a city guy now; I am a farmer. You could take a 240 or 300 lb. hog into the

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United States and take the live-weight — of course you've got a lower price there and you can take that same hog into Canada and see what you will get for it, and you won't get anything like the price that the Canadian farmers are getting, today, in the United States. My friend here has the return. I know there was a drop of one cent in hogs this week, but it's only a few short weeks ago that the price had taken a raise in hogs. And every C.C.F.er in the land was letting loose a howl which, of course, was supposed to shake the confidence of the Dominion Government and frighten them into doing something else. But what happened? Why, the price of pork is 23 cents. The day before yesterday, the Winnipeg price was 27 cents; and it was 26½ cents on some of the smaller markets in Canada. That was the price and that is 3 or 3½ cents more than the price was a few days ago. Why is that? The reason is this: There is only one thing in the world that is responsible for the support and stabilization of prices on any kind of product and that is the Government at Ottawa who will trade with every nation in the world and will open its market to any other nation that is willing to buy our products and pay for them, and I say to you, there is only one hope for the farmers all over Canada, and it is the choice they now have, namely, to maintain that Government in Ottawa which is capable of maintaining that trade with all the nations of the world and which will maintain prices at home. I know that is the only way. That Government has established itself with other nations and had the confidence of other nations.

That, Mr. Speaker, is what has kept prices stabilized and has put the purchasing power of Canada in the position it holds today, and that we farmers have enjoyed. Our livestock products are just a small part of their responsibility. For example wheat, our chief product; we export part of it and if we don't export it we turn that into other products and use it up and ship it out; we're never stuck.

That is the situation and I would tell you, Mr. Speaker, that this Government is bankrupt so far as being able to do something towards bringing forth a policy, so far as organizing the selling power of the farmers of this province. This Government has tried and they have failed for many years now, and it is coming out at this time for one reason and one purpose only and that is to push back, to throw back, on the Dominion Government the responsibility for the whole thing, a responsibility which the people of Canada have been told by the Supreme Court of Canada is not the responsibility of the Dominion Government. They said, "we have certain responsibility in regard to facilities, but so far as control is concerned, that is in the hands of the Provinces themselves."

This Government, as I said, tried it on this strictly socialistic basis — 'The Natural Products Marketing Act'. They brought it in as a 'compulsory' Act into the House, and you might say it is a compulsory Act on the 51 per cent basis if they had put it into effect. The Minister tried for years and he couldn't do a thing with it; he hasn't done a thing with it since 1945. The present Minister of Agriculture is now going around with all kinds of promises that he was going to let loose to the farmers in January, 1953. This is the end of March 1953, and that master plan is still in hiding someplace. It is still concealed in the brain of the Minister of Agriculture and his friends on the other side of the House. I'm afraid, Mr. Speaker, that it is going to be a stillborn creature when it finally emerges, because I am satisfied that you and I as farmers will never live to see the day when the farmers of Saskatchewan are going to let this Government take their natural products and market them for them, because they haven't shown a record that

would indicate that they would make any success of it. We had a Fish Board and we had a brick plant and we had a woollen mill — all these things; and that is, after all, the criterion of the business of this Government, and look what they did! Look at the mess they got into! Yes, that's an old story and it's a simple story, but it's the truth, Mr. Speaker. It is absolutely the truth.

After nine years, why haven't they done this thing? They had the money and they had the legislation to do it with. They can't come back and say: "What did you do in the 'thirties?" when they know we had \$57 million of relief in this province, in one year. They know that is correct, Mr. Speaker.

Now that is the situation. This Government had the power; they took the power to do anything in the world, in Chapter 18 of the 1945 statutes. There isn't a thing that they couldn't do with that, as far as natural products are concerned. Why didn't they act? Well now, when they come to the time, like now, on account of a slight recession in those agricultural products, along with the upset of the foot-and-mouth disease, which we were unfortunate enough to have in the province of Saskatchewan a year ago; when that time came they had to declare themselves in some way, and so they went out and said this, in January or February: "We've got a plan that is going to solve your problem and we're going to tell you about it when the time comes." Well, we're still waiting, Mr. Speaker!

I think that if you can convince the farmers of the province of Saskatchewan, the producers — you have your livestock producers now; you have your Pool — at that time they had this Act and that all they had to do was take advantage of the Dominion legislation, then we would have had something to form a substantial basis for marketing. It is built on the principle of helping yourself. A few years ago a gentleman by the name of Shapiro came over from the United States and helped us organize our Pools. He also came back, last fall, not very many weeks ago, to the Farmers' Union convention in Saskatoon and he said: "There is no substitute for self help. It is all poppycock to holler to the Government to do everything for you." He said that, and it's true! It has always been true! Do you think we would have an organization like the Wheat Pool, today, if it had been left to the Government to set up? Oh, no! Oh, no!

Hon. Mr. Brockelbank: — Not that Government anyway!

Mr. Danielson: — It would never have succeeded and it never would succeed. So there we are. When the Farmers' Union waited on this Government on November 12, 1952, what did they have to say about the agricultural marketing problem? They said that in view of the confusion and uncertainty that existed in regard to the marketing of agricultural products "we would strongly urge the Saskatchewan Government to immediately approach the problem with a view to arranging at an early date a joint conference between the Provincial and Federal Governments for the definite purpose of drafting a workable formula for the setting up and operation and administration of a proper and adequate system or plan for the marketing of farm produce on a Provincial-Federal-International basis." That is common sense! But that is not the solution, Mr. Speaker, not by any means.

All you need to do here is to take some action on the legislation that the Dominion Government has put on the statute books to be able to do

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that very thing. It is already there. The Dominion has been waiting for the Provinces to come forth and make use of it. The province of Ontario has put more of the products of the farm under this regulation and under their own producers' boards — not government boards, Mr. Speaker — than any other province in Canada. They have 17 farm products in the province of Ontario which are taken care of by their marketing boards for the benefit of the producer. Now that is a great credit to the province of Ontario. I firmly believe, Mr. Speaker, in that method of marketing farm products. I have no use for any meddling by governments except to set up the machinery for the purpose of letting the people themselves carry that out.

I have seen the development of farm organizations, Mr. Speaker, by a group of men that are fifteen or twenty times more capable of looking after their business than any of us sitting on either side of this House. That doesn't make any difference. I'm convinced they can do that. And my friend over there — if he's a farmer, if he knows anything — but I don't think he ever was a farmer; he's a government employee, I understand; but I say to the farmers that sit here, you know that statement is true, and for that reason, Mr. Speaker, I do not believe in the system that this resolution asks for. If they asked to set up boards to market our own produce on the same basis as the Wheat Board market, I just wonder how long boards like that, Mr. Speaker, could operate before they had to go out and tax these men. I just wonder if they wouldn't have to do that. Would there be any limit to the extent they would have to go to? They would get into the export trade; they would have to get into the cold storage business; and all this would have an effect on the market. They would have to get into those other lines of business so that they could carry surpluses over from the days of plenty, when there was too much on the market, to string it out over the period when there wasn't such a plentiful supply on the market.

These are things that, I am sure, if anyone sits down and figures out what this really means, will make it very clear that there is no answer to that problem by the Government, when they get into business along that line. I think, Mr. Speaker, that there are many people in this province who have come to the conclusion that the less business the Government is into, the better for the people of the province of Saskatchewan, and I am not going to support this motion for that reason.

Mr. A.L.S. Brown (Bengough): — Mr. Speaker, with all due respect to my friend from Arm River, I am afraid, this afternoon, we have had a speech that was not attempting to solve the problem of the marketing of our agricultural products, as in this particular resolution, or the marketing of our meat products; but rather it was an attempt to defend the 'laissez-faire' policy of the Federal Government at Ottawa, who, so far, have brought out no concrete solution to the problem that I suggest is an urgent problem that is facing the livestock producers of western Canada, indeed of all of Canada, at this particular time.

The hon. member has referred to the question of the Co-operative Livestock Marketing organization which has been set up here in Saskatchewan, and I suggest that it, in itself, is doing a job of which we can rightfully be proud. It is doing a job of the physical marketing of our livestock products. It takes the beef or the pork in a live condition and places it upon the markets either of the province or of the world; but it, in itself, cannot solve that problem of making it possible to put the livestock industry on a parity basis with the other industries of Canada. I think that we have proven

that by our experience not only in the livestock field, but we have proven that by our experience as farmers in the marketing of grain. We here in Saskatchewan have gone through the experience where we set up the Wheat Pool as a physical organization for the marketing of our grain. We went even further than that in the initial stages of the Wheat Pool organization by setting up central selling organizations for the purpose of we, the farmers, taking our grain products from the farm to the markets of the world, and I think it was our experience as a result of the 1929-30 crash that convinced us that, as farmers, we could not hope to solve the question of international marketing, but rather that it was only through us, as Canadians, rather than as collective farmers placing our markets upon the world that we could, in any way, expect justice to be brought back to us.

I think that the same experience would be entailed in the question of marketing of our livestock products, if we developed a co-operative organization which attempted at this time to go out upon the markets of the world for a market for the products we produce here in Saskatchewan.

In this resolution which the member for Turtleford has moved, we are suggesting that we eliminate the experience which we went through in respect to grain, and in that as far as the livestock products are concerned, that we reached the stage where we are in respect to grain at the present moment.

The hon. member raised the constitutional question as to whether the Federal Government has that authority or whether it has not. Well I would point out to you, Mr. Speaker, that for many a year we fought over the question of whether the Federal Government had the constitutional power to market our coarse grains through the Wheat Board. That problem was solved, and I suggest that, if there is any constitutional question involved as to whether the Federal Government has the authority to set up a livestock marketing board and if they are determined to work in the interests of the livestock producer, they can, and we will co-operate with them in overcoming any constitutional questions that may arise.

He referred to the work which has been done in Ontario through the marketing Act of Ontario, but I would point out the very important difference between what Ontario is doing and what we are suggesting be done through the medium of this resolution. At no time in Ontario do they undertake to settle the question of price determination. To a large extent the products produced in Ontario are marketed in Ontario, but the Ontario Government does not undertake to determine the price which the livestock producer will receive.

My hon. friend suggested — and I asked him to repeat it because I could hardly believe my ears when I heard him say it — that Canadians are eating the most expensive meat products of anywhere on the north American continent.

Mr. Danielson: — I said anywhere in the world.

Mr. Brown (Bengough): — Oh, you went a little further then!

Mr. Danielson: — Yes, I took it all in, and it still holds good.

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Mr. Brown (Bengough): — It's a funny thing, Mr. Speaker, I cannot question his statement, because I have no way of verifying it; but I do suggest, Mr. Speaker, that if the Canadians are eating the most expensive meat products anywhere in the world, then somebody is sure as blazes making a heck of a lot of profit out of it within Canada. We can take the price which the producer received on Wednesday, March 25, according to the 'Leader-Post', we can take the price which the producer received in Winnipeg and we find the highest quotation for steers of choice quality is from \$21.00 to \$21.50, in Winnipeg. Let us compare that with Chicago price of the same date and we find it is \$24.50 to \$27.00. No one is going to suggest to me, Mr. Speaker, that the price differential between Winnipeg and Chicago should be some \$6.00 per cwt. If we, in Canada, are eating the most expensive beef and the producer receives only some \$21.50 and in the United States they are eating cheaper beef and the producer is getting \$27.00 per cwt., then I am suggesting somebody must be making an enormous profit in Canada out of the differential between the price which the producer receives and that which the consumer pays.

And furthermore, Mr. Speaker, I would remind you that following up the suggestion that we here in Canada are eating the most expensive meat products, I wonder what happened to that beef which was bought last June and July by the packers for some 10 or 12 cents a pound and which, according to my friend, has turned out to be the most expensive meat products anywhere in the world. Once again I suggest if the hon. member's statement has any credibility whatsoever, upon that 10 and 12-cent beef somebody must have made an enormous profit and it certainly wasn't the farmer.

Mr. Danielson: — Would you tell us what the grade of the 10 and 12-cent stuff was?

Mr. Brown (Bengough): — What the grade was?

Mr. Kramer: — Mr. Speaker, might I suggest that there were a good many well finished steers sold for that price.

Mr. Brown (Bengough): — Mr. Speaker, I am in the unfortunate position as being one of those individuals who sold good quality beef last June and July for 10 and 12 cents a pound. It is true that if you happened to have been right within the quarantine area, there was some protection provided to you, providing you could find some packing house that would take it; but if you happened to live outside the quarantine area, then you had no protection whatsoever and we did sell beef, good quality beef, for as low as 10 and 12 cents a pound.

He suggested that we should keep in power "this Government at Ottawa which has maintained good trade relations during its term of office." Well, Mr. Speaker, if we are prepared to accept that maintaining good trade relationship means that we lost our bacon contracts, our bacon market, that we lose our poultry contracts and our egg contracts and our egg markets, that we lose our beef markets, that we have lost practically every market that we had outside of (at the moment) grain; if we can accept that that is maintaining good trade relationship, then I can agree with my hon. friend that we should maintain them in power, for if we maintain them in power for a couple more years, that maintaining good relationship will end up with the net result that we won't even have a market for our only product which we have a market for at the present time, and that is grain.

He suggests that the farmers of Saskatchewan in particular and the farmers of Canada in general will not succumb to a compulsory national marketing Act. Well we have accepted and gratefully accepted a compulsory marketing Act for our grain, and I doubt if there are very many farmers, whether they belong to a farm organization or whether they don't, will ever concede that we should go back to the system of free enterprise and to the Winnipeg Grain Exchange for the marketing of our grains. They are happy with our present system of the marketing of our grain, which is a compulsory system of marketing.

He further said and I think this is quoting him verbatim — that we will never live to see the day when the farmers will allow this Government (referring to this Provincial Government, I presume) to sell their products. Well I doubt, Mr. Speaker, if I want to live to see that day when any Provincial Government will have to accept the responsibility of seeing that the products produced in that province are marketed. But I am suggesting, Mr. Speaker, that within the life of some of us within this Legislature, we will live to see the day when we will have a government at Ottawa which will be prepared to accept its rightful responsibility and will accept the responsibility of placing the farm products, as well as other primary products, upon the markets of the world and accept the responsibility for so doing.

No provincial government can accept that responsibility under the federation which we enjoy here in Canada. I am not arguing that federation as we have it in Canada is not a good thing; but I do suggest, by virtue of the fact that we have a federation here in Canada, there must be imposed certain restrictions as to inter-provincial trade. No one province can interfere with trade in another province, and I agree that that is sound in principle; but we saw the effects of that, if we are going to leave it to the provinces to undertake trade, at the time of the foot-and-mouth disease which occurred here. We saw provinces in Canada, on their own initiative, impose embargoes against products coming out of the province of Saskatchewan. A Federal Government can by virtue of its jurisdiction overcome and eliminate any embargoes which one province may wish to place against another.

My hon. friend suggested that in the days that we — well I should not say 'we', I was probably a small lad in those days; but he did suggest that if in the days when the Wheat Pool was being organized we had a Government in power at that time which was interfering with farm organization activities (at least the inference that was suggested was that the C.C.F. is interfering) that we would not have the Wheat Pool in the position in which it is, today.

Mr. Danielson: — I didn't say any such thing. I said who could imagine that an organization could have been built up like our Wheat Pool, if there had been control and meddling by Government and if the Government had had control or anything to do with it at all. That's what I said.

Mr. Brown (Bengough): — Okay, Mr. Speaker, I accept that.

Mr. Danielson: — That is something that the farmers built by themselves.

Mr. Brown (Bengough): — I find it rather difficult in attempting to quote the hon. member verbatim, but accepting his quotation as he now gives it, I would refer you back to the days when the Wheat Pool was

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attempting to be formed and indicate one attempt on the part of the Government of that day to influence the organization and I only refer to one statement that the Premier of that day made in reference to the Wheat Pool, when he said: "For God's sake, read your contracts!" If that wasn't attempting to influence the organization at that time, I don't know what stronger statement could possibly be made.

Mr. Loptson: — That was good advice!

Mr. Brown (Bengough): — Would it have been good advice if the farmers of that day had accepted it? I can assure you that if the farmers of that day had accepted the advice which was given by the Premier of that day, we would not have had a Wheat Pool organization either at that day or today.

Mr. Loptson: — Does the member imply that they were putting something over the farmers — that they didn't know what was in the contract? I think that is putting a slur on all the farmers in Canada.

Mr. Brown (Bengough): — I am not suggesting any such thing, Mr. Speaker. What I am suggesting is that the Government of that day which has the same philosophy as my friend opposite has today, were attempting to use their influence to prevent the building up of a co-operative organization in this province.

Now my hon. friend quoted from a Farmers' Union brief to this Provincial Government in an attempt to substantiate the claim that the farmers are not necessarily in favour of a livestock marketing board. And appreciating that the Farmers' Union do represent the farmers' viewpoint on this important question, I think that one should refer to the presentation which the Farmers' Union made to the Federal Government on March 16, of this year. I quote from that in regard to what they have to say in their brief, in reference to a livestock marketing board:

"We suggest that when the general marketing conference is called, a place be provided on the agenda for thorough discussion of livestock markets and marketing — that a livestock marketing board be established on which producers will have at least majority representation."

They make an unqualified request for a livestock marketing board upon a national level and as it is on a national level, it will be in line with the resolution which my hon. friend from Turtleford has moved and introduced into this House.

Now, Mr. Speaker, I do not propose to prolong the debate upon this question, but I do suggest that the question of the marketing of our products is of primary importance not only to the agricultural industry but to the whole Canadian economy. As my friend from Shellbrook has often pointed out in this House, it is that little surplus — and in some cases it is just a little surplus — that we put upon the world markets that often determine the price which we, as producers, will receive, irrespective of the fact that maybe 90 per cent of it may be marketed upon the domestic market. If that is the rule which is to guide the price which we as producers will receive for our agricultural products, then I suggest that it is only by putting surplus products on the market of the world in an orderly manner and in a manner

which will bring the greatest return for those products, that we can assure to the producers of livestock that they will get anywhere near parity.

And I suggest, Mr. Speaker, that if the Federal Government of today is not prepared (as they have indicated they are not prepared) to accept it on that basis, then I suggest the Federal Government has a responsibility to the producers of Canada to set up a price differential between the products which are sold in Canada and the products which may be sold upon the export market. They cannot allow the export market to determine the price which the livestock producer will receive, or the producer of any other primary product will receive, if the price upon the world markets means a depressed industry in that particular field. For that reason, Mr. Speaker, I take great and sincere pleasure in supporting the resolution respecting this livestock marketing board introduced by the member for Turtleford.

Hon. L.F. McIntosh (Minister of Municipal Affairs): — Mr. Speaker, in connection with the interpretation that my hon. friend from Arm River placed upon the Saskatchewan Natural Products Marketing Act, might I just say in passing that my hon. friend was an elected representative of the Saskatchewan Wheat Pool, in 1930-31, when I was the district representative for the same organization, working in the district in which my hon. friend was a delegate. As a delegate in that organization at that particular time, he naturally was supporting a policy of that organization, which was asking the Provincial Government of the day to pass compulsory legislation compelling all wheat that was marketed in the province of Saskatchewan to pass through the channels set up by the Saskatchewan Wheat Pool.

Mr. Danielson: — Mr. Speaker, on a point of privilege: What right has he got to say that I was supporting and voted for a compulsory wheat board? As a delegate of the Pool, the majority of the Pool delegates voted that this should be submitted to the people of Saskatchewan. As a member or a delegate for a certain district, it was my duty to see that the opportunity should be given to every one to express his opinion on that. So far as my personal opinion was concerned, he doesn't know the least thing about it. In that day there was no politics in the Pool — the C.C.F. hadn't been working long enough to get into it; but at that time that was absolutely a non-political organization. I had my duty to do, and I carried it out to perfection; as a matter of fact, I think I had the best organized district of anybody.

Hon. Mr. McIntosh: — Well I've had the pleasure — and I say that advisedly — of attending meetings with my hon. friend when he was a Wheat Pool delegate back in 1930, and no doubt my hon. friend from Arm River is very familiar with the Dominion Natural Products Marketing Act passed in 1934, which, at that time, supposed that the Dominion Government would have the power, providing Provincial governments passed enabling legislation, to control provincial and inter-provincial trade in agricultural commodities. I think he is well aware that, in 1935, the three prairie provinces undertook a vote for the purpose of marketing eggs and poultry under that Act, and I think he is also well aware that following the change of the government of that day, the Dominion Act was submitted to the Privy Council for a ruling. This Act was submitted without submitting the enabling legislation passed by the provinces. The Privy Council ruled that the Dominion Government did not have the power to control provincial trade. For a few years thereafter there was an effort made by the farm organizations of this province and other provinces in the Dominion to try and get the kind and type of legislation that would give to the producers the right, or give the producers the vehicle, under which they could market their products through a Board elected by themselves.

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Now the interpretation placed upon the Natural Products Marketing Act of 1945 by the hon. member from Arm River, as I understood him, was that it was one of the cornerstones to socialize the agricultural products. The other cornerstone was The Crown Corporations Act. The Natural Products Marketing Act was drafted with the assistance of Mr. Milliken, solicitor for the Saskatchewan Wheat Pool, Mr. M. A. MacPherson, Sr., of the same firm with which Mr. Milliken was associated. This Act was drafted after reviewing the various other Natural Products Marketing Acts passed by the various provinces in Canada. This Act provides the vehicle in which the producer can set up the marketing boards. That is the purpose of this Act; that is the interpretation placed upon this Act by Mr. Milliken, Mr. MacPherson and others, who had spent years studying this type of legislation. And I think if the Act was read carefully that it could be taken as the interpretation by a layman.

This particular Act has one marketing organization operating under it — the honey producers. Now the honey producers of Saskatchewan find that they can dispose of 80 per cent of this honey within the boundaries of the province of Saskatchewan. The export of that commodity into inter-provincial or export trade is not a factor. They are organized under this Act.

The poultry producers of the province of Saskatchewan have, over the past two years, been giving consideration to setting up a poultry marketing board under this Act. They hesitate to do so because their product is in exactly the opposite position to the product of the honey producers. They must market their product into inter-provincial or export trade channels and they have been working with the other three western provinces and Ontario and suggesting that if four of those five provinces would set up marketing boards under their Natural Products Marketing Act in their provinces and then form an inter-provincial marketing board, they, as poultry producers of this province, would be prepared to set up a provincial marketing agency under this Act.

Ontario, it is true, has a large number of marketing associations; but I want to point to my hon. friend from Arm River that the producers of Ontario are not faced with the same export problem of the foodstuffs or the agricultural products that they have under these various marketing acts, as the province of Saskatchewan is.

So we find that the honey producers who have a provincial market, have organized under this Act; and where it refers to a marketing board, that is a board that is set up by the Lieutenant Governor in Council not to market the product but to look after the vehicle and the regulations that a marketing agency would use in marketing their product under this particular Act. So, Mr. Speaker, this was not an Act whereby the present Government had planned on getting control of and socializing agricultural products. It was a vehicle which the producers themselves could use for the marketing of their products.

That is all I wish to say in connection with this resolution.

Mr. D. Zipchen (Redberry): — Mr. Speaker, I would like to say a few words in regard to this motion concerning the livestock industry in western Canada.

It is obvious to one and all of us that there is a great need for Federal control. There are many major and minor problems affecting the

livestock industry in western Canada. It is very essential for planning a livestock programme for the domestic and export markets. The Federal Government has the control over money and banking, tariff policies, freight rates and other more or less institutional and constitutional factors affecting agriculture, which makes it the logical agency to assume control in this field.

Mr. Speaker, the Federal Government should establish a Board of Livestock Commissioners to assume the responsibility for the orderly marketing of livestock products, in much the same manner as the Board of Grain Commissioners for wheat and other grains. The Board of Livestock Commissioners would, for example, have full control over the grading of cattle and hogs and would ensure that such great differences that prove necessary would be reflected in the price at retail level. At the same time the Board of Livestock Commissioners would undertake a series of studies of marketing margins with a view to determining proper handling, processing and the wholesale and retail margins. The packers would no longer be in business of buying and selling livestock, incurring risks of loss or anticipation of gain from their storage operations through price changes and support. Their sole important function would be to process meat and do this as cheaply and as efficiently as possible. The packing house industry, then, Mr. Speaker, would work for the general advantage of Canada as a whole and be licensed accordingly.

The livestock industry in Canada is particularly important, being a source of revenue to a broad section of farm populace. According to the 1951 census, the value of cattle and hogs on farms amounted to \$1¾ billion in Canada. Now, Mr. Speaker, out of the total for Canada in 1951, there were 1,274,849 cattle, or 15.2 percent in the province of Saskatchewan; and 533,263 hogs, or 10.8 per cent, indicating that the province of Saskatchewan, as well as being grain-minded, is also livestock-minded. I therefore think that it is high time for us to take a step in this matter, and I am of the opinion that this Government is fully justified to make such recommendations to the Federal Government for the protection of the livestock industry in western Canada.

This is very important — the last paragraph I have. I would like to mention, at this time, Mr. Speaker that when foot-and-mouth disease attacked this province one year ago, and made it necessary to place embargoes on Saskatchewan livestock if I recall correctly the Federal Minister of Agriculture advised us to hold on to any saleable cattle which we could sell in the fall — and what happened? In the fall the price of cattle dropped \$3 a hundred, and he then advised us to hold on to the marketable cattle until spring when the embargo was lifted and Americans were selling beef to us. That is what I call export in reverse. Mr. Speaker, as you can see from these observations, it is high time we had a Board of Livestock Commissioners, and I am fully in agreement with my colleague and will support the motion.

The question being put, it was agreed to by 30 votes against 8.

The Assembly adjourned at 11.00 o'clock p.m. without question put.