

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

Second Session – Twelfth Legislature

33rd Day

Monday, March 29, 1954

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

On the Orders of the Day:

TRIBUTE TO REGINA POLICE

Hon. C.M. Fines (Provincial Treasurer):

Mr. Speaker, before the Orders of the Day are proceeded with, I am sure all members have heard of the attempt made, over the weekend, to rob one of the vaults at the Revenue Building in downtown Regina.

I rise at this time, Mr. Speaker, to pay tribute to the Police Force of the city of Regina for the very prompt and decisive action they took, which led to the immediate arrest of those suspected of the robbery within a period of 30 minutes, and they recovered, as far as we are able to ascertain at this time, all the funds that were stolen.

Insofar as the officials of the Taxation office are concerned, I would like to commend them for the steps which they had taken to ensure that there was not a great amount of cash lying around. As you know, the Revenue Building was open on Saturday until six o'clock at night, and the fact that there was only \$3,000 on hand (they had taken in considerably more than that) is, I think, a tribute to the efficiency of the officials. So I would like to pay a tribute, at this time, both to the officials of the Taxation office for the care which they have taken to ensure that there was not too much cash lying around, and to the City Police Force. I think this should serve as a warning to criminals all over Canada to keep out of the city of Regina.

ASSISTANCE TO WHEAT PRODUCERS

The House resumed, from Friday, March 26, 1954, the adjourned debate on the proposed motion of Premier, the Hon. Mr. Douglas (Weyburn) regarding the problem of storage space and the need for assisting farmers to finance their operations.

Mr. Loptson (Leader of the Opposition):

Mr. Speaker, I had intended to take up some time of the House, this afternoon, or at least some time before the Session ends, on this motion, but in view of the report in the 'Leader-Post' apparently the hon. Minister of Agriculture (Hon. Mr. Nollet) has already passed this resolution, I presume that I am rather out of order in speaking to it. He evidently stated, at a meeting yesterday afternoon, that the resolution was already passed, so I presume that I shall have to make my remarks short, if I have the privilege to continue the debate.

Hon. Mr. Nollet: — Mr. Speaker, I would like to correct that impression. I said a resolution had been introduced by the Premier.

March 29, 1954

Mr. Brown (Bengough):

That's just the 'Leader-Post'.

Mr. Loptson: — Does the hon. member imply by that that the 'Leader-Post' does not always report right? I don't think they have ever been wrong before.

Hon. Mr. Fines: — They probably don't do it intentionally.

Mr. Loptson: — In any case, with your indulgence, I want to go over the highlights. I had intended to take up the afternoon, but in view of the amiable atmosphere of the House, I thought maybe we would like to continue this good feeling for the rest of the Session, providing, of course, the Government side will agree to it. I think you will all agree that we have been very amiable on this side so far, and I would hate to spoil the good atmosphere.

In the first place, Mr. Speaker, I would like to say that the resolution before the House is quite an innocent one, and not one that anyone can take a great deal of exception to, particularly in view of the fact that it does not suggest anything that has not been already done during previous conferences. I understand that all the things this motion suggest should be dealt with, were dealt with at a conference held by members of the grain trade and Ministers of Agriculture in Ottawa, last fall, at which the Minister of Agriculture for Saskatchewan was present; and I am informed that all the difficulties that we may find ourselves in with respect to our surplus were dealt with at that time.

What purpose the calling of another conference will serve is, of course, not in my knowledge. The Premier may have something behind this proposal, which he thinks it is necessary to discuss. Conferences are not harmful as long as they hold to the practical subject before them; but they can do a lot of harm if they go out of line. I would submit at this time that, while we are supposed to have an unwieldy surplus of wheat, it is a matter we should treat with great caution and not magnify it too much. I think the C.C.F. not only in this House but at Ottawa, have been guilty of getting out of line on many occasions, which has done a great deal of harm in the past. It seems to be their purpose to continually remind the importers of wheat, that we have this great surplus . . .

An. Hon. Member: — It pays to advertise.

Mr. Loptson: — . . . and for that reason, no matter what you say about it, the import is the same.

There are a few things the Premier said in his speech that I would like to draw to the attention of the House.

In the first place, after referring to the amount of wheat we have in surplus, he suggest that some of it should be given away. Well, I have no objection to giving wheat away to people who are underfed, but I would suggest to this House that giving wheat away is, in effect, a 'fire-sale'. At least that is what the exporters of wheat throughout the world thought when the United States suggested, last summer, that they should give some of their surplus wheat away to the underprivileged countries, and exporters of wheat in Canada to some extent were quite alarmed at the announcement of

March 29, 1954

the United States government that they might give some of this wheat away. This Government, however, thinks it is a good thing to do so, in spite of the fact that, if we gave all the surplus wheat we have on hand as surplus carryover, it would not amount to more than 25 lbs per capita.

They seem to think it would be a very effective gesture to keep these underprivileged peoples from going communist. How I think that, when my hon. friends to your right, Mr. Speaker, are talking about stopping the spread of communism, they are inconsistent when they protest so severely against any move made to stop the spread of Communism here and in the United States. After all, all McCarthy is doing in the United States is trying to rinse out the Communist infiltration in the government. I do not think he is worrying very much about those who are at large among the rank and file. However, I would say that whatever we might give, or be able to spare, would not go very far towards relieving the hunger of people in the underprivileged countries.

Another thing the Premier mentioned, which is quite important, was his suggestion that we should advance money to the farmers on the wheat on the farms. I think there are cases where that will be necessary; but I would suggest, Mr. Speaker, that this Government is in a better position to advance money for seeding operations, this spring, than the Federal Government is, because surely they are closer to the local conditions, and they have plenty of precedents where former governments of Saskatchewan have done that very thing. They have arranged for loans through the banks under the guarantee of the government. They have not only done that for farmers, but they have done it for co-operatives. I can well recall the Liberal government giving assistance to the farmers through the Farm Loan Board; they gave assistance to the farmers towards establishing the Saskatchewan Co-operative Elevators; they assisted a farmer co-operative when they saved the Co-operative Creameries from going 'broke'. The Anderson government came to the assistance of the Pool when they went broke; and I think former governments gave assistance to farmers during the dry years for seed and relief, and summerfallow and many similar undertakings.

Surely, Mr. Speaker, it is about time this Government either put up or shut up about this advance of money. Everything has to be done by Ottawa. What in the world are these fellows for, here? Do they think all they have to do is tax the farmers? Surely they ought to give them something in return for all the taxes they are piling on them. So, as far as advancing money to the farmers is concerned, for the purpose of carrying on his farm operations, I would suggest that this Government should do that. I don't think that is asking too much.

Another thing the Premier laid stress on is the need for assistance to build granaries on the farms to store our surplus grain. I agree with him 100 per cent. That is where our grain should be stored, rather than in the terminals and the elevators. But who is in a better position to assist the farmer with respect to building granaries than this Government? Not only are they producing the material that is necessary to build these granaries, but they are even handling the hardware that might be needed for it. So I would suggest that they carry out their suggestion and advance the material for building granaries, and that they collect their money in the same way they expect the Federal Government to collect it – as the farmer sells his grain. I think that is a very sound suggestion. I think it was

March 29, 1954

a good suggestion of the Premier when he suggested that the surplus grain should be stored on the farm.

Another thing he said was that he did not expect that the farmers would sell more than approximately eight bushels to the acre – that is the cultivated acreage, I presume. I want to say, Mr. Speaker, that eight bushels to the cultivated acreage is approximately 15 bushels to the seeded acreage in the average district. However, we have a number of areas in Saskatchewan where the average yield was not more than 15 bushels to the acre, so that the man who is really in difficulty should be the man who has only 15 bushels to sell. The only difference between the man who had 30 bushels to the acre and his neighbour who had 15 bushels to the acre is that the one with the 30 bushels to the acre is compelled to store away 15 bushels for some future time. Now I do not think that man should be worse off than the man who harvested only 15 bushels to the acre, yet he is never mentioned. So I would suggest that that man should be able to borrow money on his surplus grain providing this Government provides him with granaries where he can store it, and it should not be very hard to take care of his problem. But I am rather concerned about the man who did not have the bushels and, so I said before, I suggest that this Government take the lead and relieve the situation.

Another thing the Premier spoke of was giving the wheat away, but I have dealt with that; that, of course, is with respect to the propaganda that this Government is continuously fostering. No government in Canada has been more persistent in spreading propaganda against this Wheat Board, in spite of the fact that they now purport to support it. Well do I remember what happened in 1950, when the hon. Minister of Municipal Affairs (Hon. Mr. McIntosh) got up on his feet and suggested that the Government of Great Britain had paid \$261 million more – first he said \$182 million, and then he corrected himself and said it was \$261 million.

Hon. Mr. Fines: — That's more than you ever do.

Mr. Loftson: — As a matter of fact, it was \$261,800,000. I remember the figures so well; and he timed it so that it was quite evident that his speech was on the desk of the Prime Minister of Great Britain when the hon. Minister of Agriculture arrived there, accompanied by the president of the Saskatchewan Wheat Pool, to arranged for an extra payment under the "have-regard" clause.

I want to say, Mr. Speaker, that arrangement was made between the Prime Minister of Great Britain and the Prime Minister of Canada, and Mr. Gardiner went to London on the invitation of the Prime Minister of Great Britain. Their conference was to adjust the price of the four-year agreement and arrive at some amicable advance on the first two years of that contract. You will recall that the agreement of that time called for 160 million bushels at \$1.55 a bushel for the first two years of that agreement. The third year, it was true, it provided for a floor price of \$1.20 a bushel, and the fourth year it provided for a floor of \$1.00 a bushel.

Apparently, according to the Minister of Municipal Affairs, he figured it would be quite all right for the people of Canada to sell their last two-year contract at the floor price; but instead of that they realized that, under the have-regard clause, people were entitled to a little more because wheat had gone up to nearly \$3.00 a bushel. So they agreed on \$2.00 per

March 29, 1954

bushel for the last two years of the contract. It was generally understood that, in view of the fact that the world price has been over \$2.00 a bushel during the first two years, the British Government would bring the price for the first two years from \$1.55 to \$2.00 as well. That meant that the producer would have received 45 cents a bushel on 320 million bushels, which would have amounted to about \$144 million. Well, this Government was quite prepared to sell out the farmer to this extent, in order to be able to make political propaganda out of the final settlement of that contract; and I think they were quite successful in doing so.

Now they come, at this Session, and say that we are 100 per cent behind the Wheat Board. I am wondering just what this conference is going to turn out to be, if there is one to be held. I doubt very much if the government of Manitoba or the government of Alberta will consent to a conference. I understand there have been no requests sent to the Premier for a conference, from the Co-ops. I am sure the Wheat Board has not sent any requests to the Premier for this conference, and I do not know what you can discuss at this conference that has not already been discussed and decided on. True, if Mr. Spry was not present at these conferences, and if Mr. Spry is a new-found genius on marketing wheat and if he has something to contribute to the present Wheat Board policy, then I suggest that he pass it on to the Wheat Board, without first making a world-wide advertisement of his special genealogy . . .

Premier Douglas: — That's a new one!

Mr. Loptson: — The Premier said that Mr. Spry had been all over Europe; he had been all over Canada; he had even stopped at Washington to assess the grain-marketing situation. Well, true, we are paying him for doing that; but if he has something new to contribute in the way of selling wheat, then he should pass it on to the Wheat Board. I would suggest to this Government that it would be very dangerous to do anything that might injure the selling policy of the Wheat Board, since, surely, we can all admire the Board on their previous successes in selling our wheat. The success of the Wheat Board in disposing of our frozen wheat in 1950 and of our damp wheat in 1951 should be at least a recommendation for us to have confidence in them in disposing of the wheat we have now, which is all in the higher grades. So I would suggest that, even if this conference is to be held at the instigation and on the advice of Mr. Spry, I would hesitate very much in passing on any new policies.

There is one other item that the Premier recommended and it is that the Government of Canada should advance up to 75 per cent of the present payment, advance payment, on wheat stored on the farms. I can only suggest that if the Government of Canada did that, they would become owners of that wheat, and that would mean that the Government of Canada is supposed to set the floor price on wheat from Canada. I doubt very much if you could get the Co-operatives, the Pools, the United Grain Growers and even the Farmers' Union to agree to government-ownership of our wheat and to insist on them setting a price on our wheat.

While our wheat is important to Canadians and the wheat producer, it is very small in the overall wheat production of the world, and we know what happened here in the 'thirties, when central selling agencies of the western Pools undertook to set a price on their wheat. We know too well what happened. The importing countries found it very easy to do with

March 29, 1954

out wheat. After all, they don't have to restrict their consumption of bread very much to say to us, "we don't need your wheat"; and I suggest that any suggestion from this Government in that direction would be a serious one, and they would be held responsible for the consequences.

No, Mr. Speaker. I hope that, if you do hold this proposed conference, it be held behind closed doors, and that your deliberations will be on a sound basis – not to suggest any rigid price of wheat, but rather to devise a flexible price whereby we could have our wheat at the disposal of consumers and importers when and where it is necessary, at prices that are not slaughter prices. We have to make up our minds that we are going to have to meet competition of at least substitutes of wheat or else we are going to be sitting with it, as we were in the 'thirties.

That is about all I am going to say on this matter. I am going to suggest to the Premier that, if he does hold this conference, he should hold it with prudence and caution; he should not show too much independence as far as we are concerned, and should at least show his willingness to have our wheat available to the importing countries without intimating that we are holding up the price beyond what they can buy it for elsewhere.

Mr. Dewhurst (Wadena):

Mr. Speaker, I just want to say a few words on this motion. I will not take too much time. A lot of statements have been made by the Leader of the Opposition to which I should like to take some time to reply, but I will omit that today. I only wish to make a few comments.

He mentioned the statements that were made in this House by the Minister of Municipal Affairs in regard to the British Wheat Agreement. It has been established and proved a fact, and was admitted by the Hon. C.D. Howe in the House of Commons, that at the time Mr. Gardiner and the delegation went to Britain, that agreement had already been closed some months previously, between the Department of Trade and Commerce at Ottawa and the British Importing Board.

Mr. Loptson: — Oh, we heard all that before.

Mr. Dewhurst: — Any arguments he puts up there fall pretty weak. Also, when he makes assumption that this Government and the Party for which we stand have consistently opposed orderly marketing, that also falls pretty weak. If we take the record of Hansard, as has been pointed out in this House on numerous occasions, it was the Bennett government that brought in the Wheat Board; it was the Liberal government that set it aside, and it was not until the pressure was put on them that they brought it back in. We have consistently through thick and through thin fought for the orderly marketing of farm produce – and not only for orderly marketing of farm produce but for orderly marketing in general.

The Leader of the Opposition mentioned that 8 bushels per acre of cultivated acreage was the equivalent roughly of 15 bushels of seeded acreage. Well, that just depends on where you are looking from, Mr. Speaker.

Mr. Loptson: — From our district.

Mr. Dewhurst: — In some parts of the province it is true that they summerfallow about half their land; so, therefore, if you have

March 29, 1954

a 5-bushel quota on your cultivated acreage, it would be a 10-bushel quota on your seeded acreage. But in other parts of this province they summerfallow every fourth year, some parts every third year, while in some parts they do very little summerfallowing at all; they take it on a rotation basis. While we are discussing wheat here, we must not forget that coarse grains also come into seeded acreage. While it is true that there has been a little special quota on barley and the amount of oats it would take to get the same dollar-return as it does from wheat, you would need twice the quota that you do on wheat, because oats are less than half the price. So there is more to settle than just saying that we have a 15-bushel quota on seeded acreage.

Another thing we have to take into consideration is the cost of production. In my part of the province, unless we get at least a 15-bushel crop every year on our seeded acreage, we could not make a go of it. We cannot produce as cheaply as the southern or western parts of the province. Our cost of production is considerably higher.

Mr. Loptson: — You'd better move.

Mr. Dewhurst: — My understanding, from talking to farmers who farm in the southern part of the province, is that if they go over their summerfallow three times that is exceptionally heavy working for summerfallow. A lot of them just go through it once; most of them twice. In our part of the province, unless you go over it six times you don't have good summerfallow. To go over it only twice or three times would be to waste your time, because you just create a seed bed for the weeds. Those are things which have to be taken into consideration, and just an acreage quota, or the bushels on an acreage basis, doesn't answer all our problems.

I believe, and agree with what the Premier said, that our carryover should not be considered as a liability. It should be a blessing to the country as a whole. It should be an asset to us. Grain is a thing that will keep. If we have proper storage, grain can be kept through proper methods for a good many years. As was pointed out by the Premier, over a 25-year period at no time has there been a continuous over-production of grain. We should look forward to the 'rainy day' with the carryover we have now. But this should not be the responsibility of agriculture alone to carry. This should be a national responsibility. It is an asset to our nation as a whole to have this wheat within our borders, and it should be the responsibility of the nation as a whole to help to finance this.

I see no reason why the farmers should be bled to death paying interest on bank loans, having tax arrears pile up against them, paying interest on back taxes, or having cancellations filed against their land, and other obligations, when they have the assets there to pay with and when, if they could dispose of those assets, they could clear up their taxes and would not need any bank loans. I say that if we are going to do things in a sane way at all, we should be able to get advances on this grain here, as they do across the line to the south on farm-stored grain, stored in adequate buildings.

We have (and nobody is objecting to it) stockpiles of other materials throughout the nation, and if we want to go into the war industry we have great stockpiling. As hon. members know, all of Canada helps to pay for that, as so we should. We all pay for that stockpiling of armaments in order to protect ourselves in case of attack. Well, why cannot the whole of Canada pay for the foodstuffs which are also necessary for the people in time of attack? Whether there is an attack or not, we need foodstuffs. We have got

March 29, 1954

the first-class wheat of the world; but the farmer cannot continually carry the burden themselves.

I made a little survey of my own constituency, and I found in Wadena constituency there are 10 municipalities in whole or in part within that constituency. As hon. members know, my constituency runs north and south. It is quite a bit longer than it is wide, so that it takes in a fair cross-section of the northern part of the province. Taking the statistics of the municipalities from 1949, in regard to arrears of taxes, and coming up to 1952, I find that the total amount of arrears of taxes in 1949, in the 10 municipalities concerned, was a little over \$172,000; in 1950, it was \$295,000; in 1951, \$233,000 and in 1952, \$343,000 – I have omitted the odd dollars. You will see from those figures, Mr. Speaker, that in these last four years, arrears of taxes in the municipalities have been going up. The figures are not available for 1953, but the secretary of one of my municipalities, which had \$80,000 of arrears in 1952, told me that, on December 1, 1953, they had \$100,000 out on their books for uncollected taxes. How can we continue to give local services that are required within our municipalities, if we are not able to pay our taxes? I am sure, on the overall, if agriculture was getting the return for its products it should have, farmers would be paying their taxes.

It is admitted, and true, that these last few years, we have on the whole produced more grain than in normal years. In order not to confine it too closely, I have here also a copy of a return tabled in this House showing the amount of back taxes of the various large units throughout the province. I find that, out of the 51 listed on the Order for Return, only five since 1948 to 1952, have not got more arrears of taxes now than they had in 1948. There are only five exceptions out of those 51; but I may say that there are three of those which are not able to be compared, because they were not organized soon enough, and only have the 1952 arrears listed. So, adding those three to the other five, that makes eight out of the 51 – the most it could be is eight out of 51 – that have had a reduction in back taxes in the last five years, and 1953 figures, as in the case of municipalities, are not yet available.

When we take the statistics from the whole of the province in the larger units, or take the figures from my own constituency on a municipal basis, I see that arrears of taxes are going up. To me, Mr. Speaker, that proves that something is wrong, because statistics will show that we have produced more grain than normal. I know that, in certain parts in the north in 1950, we had a failure from frost; in 1951, our crop was under the snow; but that was not the case in all these larger units. All the crop of Saskatchewan wasn't frozen in 1950, nor was it all underneath the snow in 1951. It just shows that the farmers are not being able to sell enough; there is too much of it piling up.

I quite agree with the resolution as moved by the Premier, that a conference should be called and ways and means worked out whereby a long – range agricultural policy can be worked out so that farmers, whether there is an immediate market for our grain or not, can get an advance or part payment on the grain stored on the farm under adequate storage. I do not believe that that should be given on an interest rate; the farmers should not be paying interest on that advance. It should be a part payment. And instead of having this system of when the quota opens a bushel everybody runs to the elevator and stands in line hour after hour trying to get his load of grain

March 29, 1954

in, if it is worked properly and in an orderly manner, it could so be that if the Wheat Board would take and accept this grain on the farms, they could notify half a dozen farmers, "we want so many thousand bushels of grain delivered; you have so many thousand bushels on your farm, so you deliver the grain." The farmers would not be lined up wasting their time at the elevators trying to get a few bushels in if that were done.

There is much more that, I realize, could be said on this motion, and no doubt a lot more will be said before the vote is taken at the end of this debate. But I thought I would like to put on the record the facts showing that the taxes of the people of this province are not being paid through no fault of the farmers or of any provincial government, this Government or any other. We have to try and regulate our agricultural policy, which affects the whole of Canada, to meet emergencies whether they be substandard, or whether they be abundant. I think we should give serious consideration to passing this resolution, doing all we can to promote it, to try to get a long-term orderly marketing system whereby we can not only market our grain orderly but get orderly advances on that grain so that the merchants and others do not suffer. At the present time we see in the papers different boards of trade going on a cash basis. They can't carry the trade any longer. The farmers don't want them to carry their credit if they can sell the produce which they have, and I feel the time is more than due when we should have some sort of a policy here for getting farm payments, somewhat similar to what they have across the line. I wholeheartedly support this motion.

Mr. McCarthy (Cannington):

Mr. Speaker, I am just going to take a very few minutes to give the House some of my thoughts on this matter. The Leader of the Opposition said a great many things that I had intended to say, so I am not going to repeat them. However, there is a very great deal of loose talk going round about our surplus of wheat. Certainly anyone who lived in this country in the 'thirties and was in the farming game, would not say seriously that the fact we have some wheat on our farms is a disadvantage. It is an advantage; we should be thankful for it. It rather irks me when I hear anyone trying to make out that a surplus of wheat is a disadvantage in a country like this in which we have dry years from time to time. If you take the history of this country, we are in a dry area, and all you have to do in an average year is to add up the rainfall and you will see it reflected in the bushels of wheat produced in that year.

We have been very fortunate in the last 12 years. Almost without exception we have had wonderful crops, wonderful prices and, with the exception of 1950-51, wonderful grades for our wheat. No one should decry that. It is a wonderful thing for our country to have that.

I picked up a little article from the paper, a day or so ago, by Mr. Bobier, 2nd Vice-President of the Wheat Pool, and the opinions expressed in that article coincide so well with my own that I am going to ask you, Mr. Speaker, to accord me the privilege of quoting from it. It says this:

"Although farmers may not be able to deliver all the wheat they wish (which is true; they can't) sales of Canadian grain this year will still exceed the quantity sold two years ago."

March 29, 1954

Don't forget that when you are doing the crying! We have already this year (that would be in the 1953 year, of course, not 1954), according to Mr. Bobier, sold more than we did two years ago – and I think he is right from my own observation of it.

“... sales of Canadian grain this year, will still exceed the quantity sold two years ago,” Mr. Bobier said, pointing out that farmers had produced an equivalent of five normal crops for the last three years.”

They produced the equivalent of five normal crops in the last three years. Does that not give an indication why we have a pile-up of wheat? We have our facilities to handle normal crops, but we have produced the equivalent of five normal crops in three years. Nobody should be worried about the fact that we have got some wheat we can't market. There's the reason for it and, personally, I think it is a great thing.

“Mr. Bobier suggested that a realistic viewpoint ought to be accepted in considering our present sales and delivery situation:

I suggest that too, Mr. Speaker. I suggest that we look at it realistically, remembering that we have produced in three years what we would, on an average, produce in five. When somebody starts to talk about creating a lot more storage facilities and a lot more of this and that, I wonder who they think is paying for it! After all, all those facilities are paid for out of the farmer's bushel of wheat. If we build up enormous handling and storage facilities to take care of an abnormal season, for seasons such as we have had, when we get back to our normal seasons they are going to be 'white elephants' and are not going to be needed. So we should be a little realistic about this thing. Then he goes on to say:

“Mr. Bobier explains the Wheat Board is marketing all the wheat possible at the present time.”

They are marketing all the wheat it is possible to sell at the present time.

“Europe is well stocked with wheat this year, but sales to Japan have doubled.”

I think when he is talking about 'this year' we must regulate it back to 1953. It must be the 1953-54 year he is talking about, although he does not say so specifically.

“Britain is buying almost as much wheat from Canada this year as she did under the International Wheat Agreement.”

That's another thing we should remember.

“Over the long term there has never been too much wheat in Canada.”

I agree with that, and I agreed with the Premier when he said the same thing in his speech the other day.

“ . . . and wheat properly stored on the farm is good security for the future.”

I also agree with him there. There is no better security a farmer can have than a couple of thousand bushels or more of dry wheat, stored in a good bin. If it's dry wheat, good wheat, stored in a good bin, there's no better security in the world. It's better than money in the bank – for this reason. If you have got the money, you are apt to spend it. We are all spendthrifts; all farmers are spendthrifts. But if you have two thousand bushels of wheat in the bin, you are not spending it, and if we get a dry year next year, you have got your wheat to carry you over. Why, this Government, when they started out, attempted to do that. The provincial policy set up bins down here somewhere, where the farmers could put their wheat to hold it over for a dry year. That was when the memory of the 'thirties was with us, and a lot of these younger chaps have forgotten about the 'thirties, or they weren't here then. To anybody who went through the 'thirties, it was an education in itself.

Mr. Walker (Gravelbourg):

We'd still be there if you were in.

Mr. McCarthy: — And if I have got, or anybody has got, two or three thousand bushels of good, dry wheat in a bin, it is a wonderful insurance, the very best insurance in the world.

The Premier, speaking the other day, did a wonderful job on this, I enjoyed it. He left out the political implications which so often have come from that side of the House when discussing wheat. (Interruptions) . . . That's a fact: do you want me to read some of the things said on previous occasions? I can do it if you want me to, though I had not intended to do it. Well, all right. I'll tell you what the Premier said if you are going to get 'cocky' about it.

Gov't Members: — We know what he said.

Mr. McCarthy: — He said right in this House that the Wheat Board were using the Wheat Board money as a “political pork-barrel.” The Minister of Agriculture over there said, when we got our 84 cents, “you've had it,” and a whole lot more that I am not going to go into now. But I did say that the Premier kept to a factual statement on this, and I enjoyed it. I did not agree with all he said; I didn't agree with some of the solutions he suggested – and I want just to pass on my thoughts in connection with some of the suggestions the Premier made. I believed he believed what he said. I don't think there was anything political in what he said; but I don't agree with some of his premises. I am just going to pick out one paragraph here in his speech that I don't agree with. He said ‘that the Government should enable farmers to finance his farming operations, either by advancing 75 per cent of the initial price for wheat stored on the farm, or buying wheat outright on the farm; and he said, such a policy has been followed in the United States for more than 15 years and it concerns all governments, municipalities, etc.’

I am prepared to agree that there are cases where that probably should be done and could be done, but in the overall picture, I don't think it would be a good policy. I say that for this reason. I happened to be down in the United States, this last fall, and was among the farm people down there and know what was going on. I think that if the Premier and the member for Wadena would go down and move around amongst the farmers

March 29, 1954

in the United States where they are doing this, they would find that they would get quite an eyeful – I know I did. Another thing about it is that, if I was down there and had 2,000 bushels of wheat and I sold it to the government, I have no interest in that wheat; it belongs to the government. If I lose my next year's crop, where do I go? The fact the wheat is there and the government owns it, doesn't help me to finance my operations. Not at all. That's why I say that I cannot agree entirely with that thought of the Premier.

If we look at it from the overall picture, this surplus wheat we have is a blessing – and let's not abuse it. Let's use it discreetly and build up our economy and have something, because as sure as night follows day we will have dry years. Don't let anybody kid himself that, because we have had a few more than average moisture years, we are going to continue to have that. We will have our dry years – and what happier position could farmers be in when those dry years strike us, than with some dry wheat in their bins to carry on their operations?

Mr. Speaker, I think that is about all I have to say on this matter.

Mr. Berezowsky (Cumberland):

I thought, Mr. Speaker, when this motion was presented in this House the other day, that there would be no argument. It is very clear, concise and, I think, it meets with the wishes of the people of Saskatchewan, not only farmers but the merchants, traders and others. I was surprised – but maybe I should not have been surprised; I have heard so many amazing statements come from across the floor of this House that I should no longer be surprised.

The hon. member who just spoke mentioned, or insinuated, that we should go hungry now because we may need 2,000 bushels of grain at some future time. Mr. Speaker, I think a statement like that borders on the ridiculous. We have grain on hand; we want to be paid for it. In the past, if we go back a number of years ago to when we had a depression, we had a similar situation. We had crops on hand but could not get the necessary payment for those crops, and as a result we had a depression. That is the way Capitalism has always worked. All that is suggested in this resolution is that the people interested in Canada get together, possibly as a conference, and advise the Government at Ottawa to take the necessary step required for the welfare of its people.

I would just like to leave this thought with the House. I think everyone knows that the economy of a country depends on the productive wealth of that country. Thus, when you have, say in the mining industry, a situation where wealth has been produced, it has been made possible in the system under which we live, for those mining people to get the necessary money to continue operations to produce more. Now farmers are in exactly the same position. We have produced wealth; there are millions of bushels of wheat today stored in the granaries on the farms, and now all we ask for is an advance of the necessary funds to be able to produce, or continue to produce, more wealth. As the Premier and members opposite have pointed out, we hope the time will come when probably the surplus problem will more or less adjust itself, but in the meantime we have a problem. Farmers, particularly the small farmers on quarter-sections and half-sections have been unable to pay their oil bills, their machinery repair bills. They are unable today to go into the stores and buy the food and clothing that they need for

March 29, 1954

their children and for themselves because they cannot receive payment for the crops grown.

When a member on the opposite side gets up and repeats what he practically said last year – I remember the hon. member from Cannington saying that the farmers had never been as wealthy in the history of Canada as they are now; that's why they drive around in Cadillac cars. That is not so. Most farmers are not driving Cadillacs; and if they have cars today they are worrying where they will be able to get gasoline and oil to put into those cars to drive them around. They are not able to pay their store bills. And if the hon. member would just go out into the north and into the south and all over the provinces of Canada he would find that situation.

If I am wrong, Mr. Speaker, all you have to do is read the daily papers and you can see where the merchants in different towns are refusing to extend any more credit. The answer is right there, and I am quite certain that the hon. members know that, this spring, farmers will not be able to obtain the oil and fuel for their tractors to be able to produce the wealth that we should be producing. I am not worried at all about the large amount of wheat on hand or the large amount of stock, or anything representing true wealth. I am happy to see that the people of Canada are wealthy; but I do think that there is a responsibility somewhere for someone to see that the people who produced that wealth are able to get the money necessary to keep this economy alive. So, when the farmer produces, just as the miners and others who produce the original wealth, the farmer should be able to get the money it represents.

I submit, Mr. Speaker, that the organization that should provide those funds should be the Federal Government who has the prerogative of controlling currency in Canada. There is no danger involved at all in this, and to show that it has been done, that it is not a precedent, let us turn to the country to the south. I think the hon. Premier mentioned that they have been carrying on a programme for years where they advance to the farmer a certain amount of money so that he can continue to carry on his occupation and to produce primary wealth.

As far as the precedent again is concerned, when the hon. Leader of the Opposition mentions that the Wheat Board doesn't own the wheat, that the wheat belongs to the individual farmers, I wonder if that is true. I recall quite well that in (I think) the 1949 election, apparently for political purposes I would say, the Wheat Board, through the government in Ottawa at that time, was able to over-advance 20 cents for wheat that was not delivered . . .

Mr. McCarthy: — Boo!

Mr. Danielson: — Oh, ho!

Mr. Berezowsky: — . . . never sold – I have corrected it; never sold. The over-advanced 20 cents. Now if they could over-advance at that time then it means they did assume the responsibility of paying for unsold wheat. I submit, Mr. Speaker, that the farmers of Saskatchewan and of Canada recognize the Wheat Board as a marketing agency, as the Board that is to pay them for what they have produced, and it is the responsibility of that Board to acquire the necessary money to pay the farmers either through initial payments, or through any other kind of payment – it could be through loans of some kind; but farmers are entitled to get paid for the wealth that is standing on the farms today. It is quite true that some hon. members may be in

March 29, 1954

the cattle business and may not need the money; but the farmers who grow only wheat and coarse grains need the money today because they can't carry on any further. It could happen that the province of Saskatchewan may have to hand out relief again because such is, of course, as I have said, the experience under a capitalistic system. We still remember the 'thirties when our granaries were full; when the warehouses were full, yet we had to hand our \$5 and .10 a month relief to the needy families, and that is what I think many people in Canada would not like to see again.

As for the need of a conference, I fully agree with the resolution, because a conference, if it is necessary (and I think it is necessary) will bring together not only the primary producers (the farmers), but will bring together representatives of the merchants, representatives of the co-operatives and of the governments, and they will be able to sit down together, analyze this whole situation and decide whether something can be done or cannot be done at this time. I believe that something can be done, and so I think it is a good motion and I am going to support it.

Mr. Danielson (Arm River):

Mr. Speaker, I certainly did not have any intention of speaking to this motion at all, but after listening to some of the arguments that have been advanced it is rather hard to sit still. I am not going to speak very long, however.

First of all, they speak of the crying need of advances on this grain so the farmers can put in their crops. I am not a judge on that particular matter at all, I do not pose as one; but I notice that at the Rural Municipality Convention in Saskatoon at which were representatives from every municipality in Saskatchewan, they practically unanimously refused to vote for or consider a motion to that effect. That should be very significant, because every municipality except four, I think, was fully represented by delegates. These delegates, Mr. Speaker, placed here and there, were synonymous of each municipality. I imagine most of them would know every ratepayer, would know practically every farmer, within their municipalities. That indicates there is not a great demand for this, though there may be certain cases (and I won't deny the fact) where probably it is true. But after all, I don't think there is an emergency that justified us, as farmers or as members of this House, in demanding that the operations of the Wheat Board be cluttered up by financing of advances for wheat on the farms.

I remember, a few years ago, Mr. Speaker, I came in here one day after seeding was over; it was in 1938. I came in here as a member of this House. I went to see the Provincial Treasurer in his office, and I had quite a time with him I will confess; but within three days he issued a credit, after consulting with the bank, so that the farmers of the province who were in need could obtain oats and gasoline or coil oil (which they used in those days) to summerfallow their land. We got \$700,000 in provincial credit from the banks, and we all know the financial circumstances of the province at that time. Now, here we sit with a budget before us of \$122 million (if you take it all in), money that is going to be spent in this province this year; and less than \$½ million would take care of the extreme need in this province to finance these farmers.

Furthermore, these farmers, Mr. Speaker, have the security right on their farms. If they haven't got it, they wouldn't be really grain farmers, they may be grain and livestock farmers together; but the security would be there, not only in grain but also in livestock produced on the farms. That is

March 29, 1954

the situation. Is it not an outrage that this Government, with the millions and millions back of them, should harp and cry and plead and damn the Federal Government and the Wheat Board because they don't do a thing like this? It just amounts to a small pittance to finance these farmers who are in need of help to get their crops in, this spring. They have just had a small payment, a final payment. That will help some; and we have the assurance of the Board that as soon as possible they will issue another payment, an interim payment, on the 1953 crop. That may not come until after seeding, but I feel sure it will come.

Things have been said here to which I am not going to take up the time of the House to reply. But let me throw out this hint: If these farmers are so terribly hard up (and I repeat, Mr. Speaker, there is no doubt that a few of them are hard up), the least the Government of Saskatchewan could do is to remove the Education Tax from all farm fuels and greases that go into the production expense of a farmer. We have been pleading for this for years, the production expense of a farmer. We have been pleading for this for years, and the Farmers' Union have done likewise. Last year they were evidently persuaded to withdraw that demand; but they came here and asked this Government to do that very thing. They have dropped that now. What the concession is, and what the deal is, I do not know, but they finally dropped that demand. I still maintain that this Government has no right or logic in imposing a production tax on material that is absolutely necessary to produce the crops on these western farms. I have said it for years and I say it again. That would be one of the things this Government could easily do to help out the farmers in financing this 1954 crop.

The member who just spoke, Mr. Speaker, said there was a 40 cent over-payment . . .

Mr. Horsman: — Twenty cents.

Mr. Danielson: — Pardon me, I'm sorry, a 20 cent over-payment made, one time, by the Wheat Board when they made a payment. I just wonder what the hon. gentleman would think, or what he would say about the over-payment the Wheat Board have made now. They have 500 million or 600 million bushels of wheat that is unsold, for which they paid us at the rate of \$1.40 a bushel on the basis of No. 1. I just wonder what the over-payment would be now . . .

Mr. Berezowsky: — Do you want me to answer that?

Mr. Danielson: — You can answer all you like, but you cannot answer, because if you ever get an annual report of the Wheat Board and look at that financial statement at the end of the year, you will find practically no year, without some time during the year's operation, they have been in debt to the bank to the tune of millions and millions of dollars — and that is my answer to that. I do not think they ever made a final payment on any crop, or any interim payment, without they had to do it on borrowed money. I don't think it is possible . . .

Mr. Berezowsky: — Mr. Speaker, on a point of privilege. I did not say that this payment was not uniform or anything; I just tried to point out to the hon. members that the Wheat Board can . . .

Mr. Speaker: — Order!

Mr. Danielson: — Let him speak. He puts his foot in it every time he says anything anyway.

March 29, 1954

Mr. Speaker, that is the political aspect of this thing. I was hoping, the other day, when the Premier spoke, that there was not going to be any politics in it, but it is in here now.

Mr. Walker (Gravelbourg):

Who brought it in?

Mr. Danielson: — I know where it came from; it came in when the member for Wadena spoke.

Mr. Willis (Elrose):

Speeches were made by your leader from your side.

Mr. Danielson: — On, no! He pointed out the consequences of any unwise or any rash action that might be taken; and that was quite legitimate. There were no politics in that at all – not a word. It came from over there. I do not think this Government should mention politics in connection with this thing, or throw aspersions on any other party, because they have played politics with the Wheat Board and everything connected with it since I came into this House, or at least since they came into this House. Long before they became the government, it was a topic which they discussed quite often in connection with politics. I remember the Minister of Agriculture not so very many years ago (I think he will remember it himself) telling the people of the province when they got that one payment that that was all they would get. At that time, or shortly afterwards (perhaps it was even before that), the Premier made a speech in regard to the final payment on some oats or coarse grains, and he said he would give anybody a medal or cut off a Cabinet Minister's head and present it on a platter to whoever got another payment on those coarse grains. Well, we did get a coarse grain payment, and I notice the Cabinet Ministers still have their heads. I don't know how much is in them, but they are there.

These silly things have been said in years gone by, and I am not so sure that they have not been said seriously, Mr. Speaker. I cannot imagine a Cabinet Minister such as the hon. gentleman over there – I have a great deal of respect for him; but he goes off the deep end and makes statements as foolish as that. So it is no new thing for the C.C.F. Party to drag the wheat problem into politics; and I am rather perturbed sometimes. If this eternal attack on the Wheat Board continues – if it isn't the C.C.F. politicians, then it is extremists from the Farmers' Union going down there to Ottawa, trying to upset everything that is done, saying nothing is right, everything is wrong – I think perhaps the day may come when you go to the House of Commons at Ottawa (who, after all, put the Wheat Board in operation, and I think it is supported, generally, by all parties in Canada today, and one thing I am sure of is that every farmer in Western Canada is heartily in favour of it); but the day may come when they will get so disgusted with this eternal fault-finding with everything that they will simply say, "Well, here it is, sell your own wheat." It would be a calamity for us if that should happen. And I think that day may come. I think the Wheat Board has been wonderful, Mr. Speaker, in what it has been able to do, and you are not going to strengthen anybody by harping and carping criticism. It cannot be done, particularly when you bring it into the realm of politics.

We are talking a great deal about the amount of wheat that has been sold during this crop year. I am going to say something now that I never said before in public – I have said it many times in private conversation. I think a sad mistake was made when we raised the international market price for wheat from \$1.80 to \$2.05, Mr. Speaker. I think it was the wrong thing to do. If they had done it two years ago perhaps we would have got away with it, but we did do it last year, two months before the opening of the new crop year.

March 29, 1954

And I think if we had let it go at \$1.80 or even at \$2.00 we would have Great Britain as a signator to that agreement today. And it didn't help the farmers. Anybody would know who had lived in this country and had the experience of years gone by. We saw this wheat piling up and up, not because the sales were lacking but the production capacity of this western country was far, far greater than the world could use up, the demand . . .

Hon. Mr. Nollet: — Your leader said it didn't make much difference.

Mr. Speaker: — Order!

Mr. Danielson: — You can talk afterwards all you like. That is the situation. And what happened then? In spite of the fact that the importing countries held a certain amount of wheat for their present needs, there was a flood of buying orders came in to the market during the last two months for the crop year. Countries in certain parts of the world that would not have needed to buy any wheat for probably six weeks to two months, or something like that, rushed in to take advantage of the \$1.80 a bushel. The next price was \$2.20 — is that right?

Premier Douglas: — About \$2.20.

Mr. Danielson: — Now don't forget, Mr. Speaker, that was an increase of 40 cents a bushel in the price of wheat to these people who needed to buy it, in spite of the fact that the commodity was flooding every country in the world, as far as exporting countries were concerned. Argentina produced one of the largest crops they ever had; we had produced five good crops in seven years (you can go back and check it up if you wish), far more than normal crops in seven years. We had been able through the good work of the Wheat Board and the forces of nature which assisted us, in salvaging all these crops. There were two crops that were very very dubious, but we did salvage them; we didn't lose anything.

Now these are things for which we should blame nobody but ourselves. Our Farmers' Union here, which is supposed to represent the farmers — and I paid my dues to that Union for two years, I helped to organize it a few years ago, along with Mr. Phelps; but there is a certain limit in everything; there is a certain middle way in everything and there is a time, when you get to a certain point, you had better stop, or else you are going to do exactly the opposite of what you intended to do. People are not all fools, Mr. Speaker. And when we get the upper hand we should consider it as a trust that goes with that position. No matter what position you are in — whether you have a monopoly of what certain people of the world need, whether you have something else there is a great demand for, you are never going to make any worthwhile gain by trying to take advantage of that situation and extort from the users of the commodity a price which is more than it is worth.

These are things which we shouldn't forget. I am not going to say anything more about this matter. I think a conference may be of some value, if it is held with goodwill and the open mind of everybody there to discuss these things. I agree with the Leader of the Opposition here. If the proper approach is made and the discussions take place with moderation and not with an attitude of a Stalin or a Hitler, without anybody dictating to anybody else to get what they want or what we want, it may be a successful conference. With these remarks, Mr. Speaker, I will close.

March 29, 1954

Hon. Mr. Nollet (Minister of Agriculture):

Mr. Speaker, I do not know of any motion that has been in this House with less political suggestion to it. I think the Premier's address itself, and the manner in which he gave his address, indicated that we were not excessively alarmed, and that this is not a controversial political matter at all. If any politics have been introduced into this subject, it has certainly been introduced by the Leader of the Opposition, when he suggested that this Government and this political party had consistently endeavoured to sabotage the Wheat Board.

Mr. Loptson: — That is what you are doing.

Hon. Mr. Nollet: — Mr. Speaker, he made certain accusations against the Minister of Municipal Affairs . . .

Mr. Loptson: — Maybe you don't mean to do it . . .

Hon. Mr. Nollet: — . . . but I don't know of anyone who has got up in this House who has given more encouragement to the 'bears' the Liverpool Grain Exchange than did the Leader of the Opposition when he was speaking this afternoon, and practically every member that followed him . . .

Mr. Loptson: — Never mentioned it.

Hon. Mr. Nollet: — I will come to that and I will read to the hon. member just now what he said. He said that there should be no 'rigid price', there should be a 'flexible price', not 'slaughter prices', or of course, to meet competition. Then he went on to say that we have to have a price within the reach of our customers, and "don't hold up the price." That is what he said, Mr. Speaker, and it is going to be very interesting to read the records when the debate is finished and the records are in print.

Mr. Loptson: — Mr. Speaker, I would just like to ask my hon. friend a question. Would you recommend putting a rigid price on our wheat such as we did in 1929 and 1930, when we had ourselves in a position where they wouldn't even look at our wheat?

Hon. Mr. Nollet: — I am making this speech, Mr. Speaker, and I would suggest to the hon. Leader of the Opposition . . .

Mr. Loptson: — I asked you . . .

Hon. Mr. Nollet: — . . . that we are in an entirely different situation now than we were in 1929 and 1930.

Mr. Loptson: — You may find yourself in the same position.

Hon. Mr. Nollet: — I was surprised, Mr. Speaker, that again the Leader of the Opposition and several other members suggested that the Provincial Government should now step into the breach and endeavour to extricate a problem that is a Dominion problem. There is simply no end to the amount of responsibility they would like to see the Provincial Government assume. They didn't talk that way, Mr. Speaker, when they were the government of this province.

Mr. Loptson: — We did it.

March 29, 1954

Hon. Mr. Nollet: — Their entire discussion, this afternoon, reveals clearly not only the attitude of the Liberal Party now, but the attitude of the Liberal Party when they were in power in this province — that is, do nothing, be cautious and above all don't talk too loud. They say that not because they are afraid it might have a disturbing influence on wheat marketing but because, I think, they are mainly concerned about future political consequences. And then, of course, the hon. member — after having said all that — “Be quiet about this, be impartial about it”, then he comes up with the suggestion that we should have a flexible price which can only mean one thing, Mr. Speaker, and that is a forcing down of prices in order to meet world competition. This is exactly the fear that inspired this motion, Mr. Speaker.

I wish now to make a few observations on this matter as the seconder of the motion. I wish, first of all, to say that the members of the Government here and the members of the C.C.F. political party as such, as hon. members opposite know, have consistently worked in the farm movement and through their political organization in the interests of obtaining national marketing boards. We were more than 100 per cent for the Wheat Board. I was surprised, Mr. Speaker, that the hon. members opposite did not go a little farther in their suggestion that the Provincial Government ought to assume additional responsibilities. I was also surprised that they were not consistent with what they said a few days ago about a livestock marketing board, and suggest that perhaps the Provincial Government ought now to assume the responsibility for marketing wheat, but this struggle has been consistent.

Mr. Danielson: — The Farmers' Union agree.

Hon. Mr. Nollet: — And I want to say now, Mr. Speaker, again in reply to what the hon. member for Arm River has said: I have been criticized for making a statement to the effect, I think it was when the interim payment was made for wheat at \$1.44, when we had the frozen crop, that that might be the final payment. Mr. Speaker, those were the opinions registered by the Rt. Hon. J.G. Gardiner at our production conference in Ottawa at that time.

Mr. Danielson: — Never heard of them.

Hon. Mr. Nollet: — You never heard of them? Well, if I am wrong, the Hon. J.G. Gardiner was also wrong. The only mistake I made was to repeat this opinions in public. I should know better, Mr. Speaker, because I used to go into hog production once in a while on the suggestion of Mr. Gardiner, but I have never been right and I have been wrong this time too.

Mr. Loptson: — Did you just find it out now?

Hon. Mr. Nollet: — I want to say, Mr. Speaker, that we have nothing but admiration for the Wheat Board in having been able to market so well the huge crops that we have had in the last three years.

Mr. Loptson: — No credit to you.

Hon. Mr. Nollet: — They have done a most outstanding and remarkable job in disposing of the 1951 crop. They have done an excellent job on the 1952 and 1953 crops; but I am going to suggest that we do face a somewhat different situation at the moment. Things are not just as they were in 1943, when we had even a larger surplus than we have at the present time. At the end of 1943 the war was about over and everyone was thinking more in

March 29, 1954

terms of humanity and in terms of rendering immediate assistance to the war-plagued countries. I can still remember the suggestion that we should switch our production to wheat, despite the fact that we had large quantities of wheat, because that would be the quickest means by which we could feed the hungry people in the war-devastated lands and elsewhere; and we were urged to do that. There was a tremendous market then, and apparently governments were prepared to do a little financing in that regard.

Before going on with that I think it is just as well, when we talk to motions of this kind, and particularly in view of some of the observations that have been made from the opposite side, to review some of the background developments of the Wheat Board. As everyone knows, the Wheat Board system of marketing started in World War I. It was utilized then as a means of keeping the price of wheat down. At the conclusion of World War I, there was exceeding pressure brought to bear to continue that Wheat Board in the post-war period of that day. The requests were turned down because the government argued that they only had power to do those things during wartime and under emergency conditions. The government of the day – and I think it was a Liberal government; I believe they succeeded the Borden government, if I remember correctly . . .

Mr. Loptson: — You're wrong.

Hon. Mr. Nollet: — . . . refused the continuation of the Wheat Board system. And then, in . . .

Mr. Loptson: — Mr. Speaker, on a point of privilege. If my hon. friend wants to be corrected, the Liberal government was not in power at Ottawa when the first Wheat Board was dismantled.

Hon. Mr. Nollet: — Agreed, but they went into power in the post-war period, Mr. Speaker. In 1921, the pressure was on to continue the Wheat Board that the Conservative government brought in during the war years. This they refused. Then the farmers endeavoured to do collectively what they could not do individually, and we organized the Wheat Pool. The Wheat Pool operated in the period up to the great depression as a marketing agency in competition with the speculative Grain Exchange and, as was mentioned by the Leader of the Opposition, trying to do collectively what the farmers could not do individually, failed too, because there were problems far beyond the problems involved in marketing. World prices fell, commodity prices, fell, stocks and bonds fell, and we had a depression. The Pool, unfortunately, in their pre-season optimism had paid a very substantial initial payment and the government, as the hon. Leader of the Opposition has mentioned, had to come to the rescue of the Wheat Pool.

However, the problem was not solved. The surpluses continued to accumulate and then for the first time in peacetime, a Conservative government, under the pressure of these surpluses, was compelled to bring in a Wheat Board, which they did. But it was a price-support Board, and that Board continued to function well into the war years, when the Board was utilized by the Liberal government to again keep prices of wheat down, Mr. Speaker. The only time they would move was upon the urgings of the huge delegation that went to Ottawa and asked that the price of wheat be increased. That is Liberal philosophy, Mr. Speaker, and the people of this province aren't going to forget it. And some of the statements that have been made in this House, this afternoon, probably will not sound so good to the farmers, in the months ahead.

Mr. McCarthy: — Who's getting political now?

Hon. Mr. Nolle: — Well, if the hon. members opposite want to get political, I can reply in kind, Mr. Speaker, and I think I am privileged to do so. It seems to be the only language they understand.

Then came the end of the war and under pressure the Wheat Board system of marketing, to our great delight, was continued under what were the emergency powers utilized in the post-war period. But in the period 1945-49 came the Anglo-Canadian wheat agreement of which the hon. Leader of the Opposition made some reference, this afternoon. He suggested that because of certain statements made by members of this House we might have got more; but it might interest the hon. Leader of the Opposition to know that whereas we got, out of the four-year U.K. agreement, \$1.76 a bushel for the wheat sold to the United Kingdom, the wheat on the domestic market that was sold at home (and there were 251 million bushels of it), sold for \$1.68 a bushel, with an economy at home that was completely within control of the Federal Government at Ottawa. That is the thing that could not be justified. That is the thing the farmers were complaining about, and that is the thing that members of this Government were criticizing.

Then came, again to our great delight, the International Wheat Agreement. Perhaps there is something in what the hon. member for Arm River said, because when we analyze the provisions on that agreement, we find that there is a maximum and a minimum price set, and that the importing countries do not have to take the wheat when it is offered at the maximum price. Therefore, the maximum price as such, Mr. Speaker, may not be so important in a situation such as we are facing at the moment. But people are not all prophets. Maybe it would have been to our advantage to have had Great Britain in the Wheat Agreement; I don't know. Sometimes I have some doubts on that score, since the Tory government in Great Britain has re-opened the Grain Exchange and, of course, we know what that means. We know that when there is a surplus of food commodities of any kind, the inclination under that system of marketing, is to push prices down. At any rate, the maximum price was not the important factor that many people were led to believe it was. We fear that, because of the present situation there will be bearish influence, and the thing that concerns every one of us, and concerns the farmers of this province, is whether or not the Wheat Board will be able to sit tight and weather the storm of the bearish influences that are bound to come, and to which the hon. Leader of the Opposition has given great encouragement when he suggested that our wheat prices should be flexible. Well, they can only be flexible one way, Mr. Speaker, and that is downward.

I want to make some reference to marketing and marketing problems. After all, it isn't in the mechanics of marketing or the kind of a marketing agency we have. That has been demonstrated. We have tried the Wheat Pool method which did not have the jurisdictional powers. It was governed by tremendous economic factors beyond its control. Now we find the Wheat Board, a national marketing organization that, for the first time, has endeavoured to guarantee our farmers a set price for their produce (and we appreciate that), but we now see this national marketing board in some difficulty as to what the price might be on the international markets.

Now, Mr. Speaker, I think it boils down to this – and perhaps the Leader of the Opposition put his finger on it, but he didn't come up with the solution: the price has to be within the reach of the customers. I don't know if he was thinking of nations or individuals; I can think both ways. If the nations as such haven't the money to buy our wheat, or if the individuals within that nation haven't the purchasing power to buy that wheat,

March 29, 1954

then you can have the best-laid marketing schemes in the world and you will not be able to get the price that you should for that produce. That takes us into the whole international field of trade, commerce, and currently and all the rest of it.

It is precisely for that reason that we believe in Federal marketing boards. We know the inadequacy of one nation dealing with a problem that involves many nations; but a proposal was made, in 1949, by the Food and Agricultural Organization of the United Nations, suggesting that an international commodity exchange be set up that would include many nations with the purpose in view of making distribution of the foodstuffs that are available in the world to the need areas of the world. Very regretfully, Mr. Speaker, the government at Ottawa did not support that suggestion, and I say this in all sincerity. I am of the opinion that, if we had then diverted some of the money we are spending on military defence toward the financing of an international commodity exchange, and had we diverted perhaps more money in the direction of developing plans similar to the Colombo plan, we would have been doing something towards meeting the immediate need of a huger situation and in the second case, we would have been building up the economies of those nations that are our prospective customers. This, of course, is a long-term thing, Mr. Speaker; it is not going to meet our present situation. But these are some constructive suggestions that we have been consistently making from this side of the House.

The surpluses that have been mentioned are not something new. We have always had them in Canada. As the Premier said, in the past ten years we have had, on the average, a carryover of some 206 million bushels, and now we have 678 million bushels which is the second largest carryover in our history. The four exporting countries have some 2 billion stocks of wheat available for export together, which is 20 per cent above 1953, but only 3 per cent above 1943; but, as I say, there is a different situation now. They have also had good crops in Europe, and they have had good crops in Asia. Europe alone produced 1,700,000,000 bushels of wheat. France and Italy have produced as much wheat as Canada. Many people will say, "Nature brought this about; nature will correct this situation." But that isn't much consolation to the farmer here, who has reserves of stocks on his farm awaiting sale.

Someone from the other side of the House mentioned that this is a great asset; that it is a great reserve. I agree with this; but it will only be an asset as far as our farmers are concerned, and as far as the business economy of this province is concerned, if we get a price for that produce. That was not mentioned; but price is a most important factor as far as we are concerned. I cannot see much object in having a bountiful crop as a result of nature's kindness and then accept the philosophy that because we have had a good crop, the farmers must take far loss for it.

I would like, for a moment, to dwell on the matter of why we can't take less. Some other members have referred to it; the hon. member for Wadena has referred to it. It might be interesting to know that, despite the crops we have had – and I have repeatedly said, Mr. Speaker, it is this fact that has kept our agricultural economy buoyant; but despite this fact, farm production costs have been going up steadily. The investment on the part of western provinces, that is the indebtedness for equipment and other credits, is now around \$½ billion, Mr. Speaker, despite a time of prosperity and abundant crops. We know that the investment in farm machinery is four times as much as it was in the pre-war years. We know that every acre of productive wheat land in this province has now against it, in capital investment of machinery, nearly four times as much as it had in the

March 29, 1954

pre-war period. It not only takes good crops but it also takes a good price to meet these increased cost obligations – and there is no escape, Mr. Speaker. If a farmer operates two sections he may be able to get by, but acreage-wise there cannot be any greater production from this acreage as a result of mechanized equipment, at least not to the extent of offsetting the heavy capitalization involved. In other words, there is that much additional cost against the production of each acre of cultivated land in Saskatchewan.

In addition there are, of course, improved municipal services, the demands for such services, better roads, rural electrification, with higher costs all the way around. In this situation, Mr. Speaker, little wonder that the businessmen of this province are alarmed; and this Government would be recreant in its duties and obligations to the interests of this province if it did not bring this matter to the attention of this Assembly and suggest, as the motion has suggested, that a conference be called at which this whole problem could be discussed with a view to making some recommendations that would be helpful, the particular ones being some means by which our farmers in the interval could carry themselves.

I hope the Wheat Board sits tight; but if the Wheat Board cannot successfully sit tight, it will be more necessary that these farmers obtain some means of credit either through advance payments or some other form of credit to finance their continued operations. I think too, that, in the present modern marketing situation and in view of the fact that our farms are now completely mechanized complete with combines and trucks, eventually we will have to adopt a farm storage plan. Someone expressed fear of over-construction of storage facilities. This might happen as far as the commercial elevator facilities are concerned if we don't do something about farm storage, because the farmers, driven by their added financial obligations at the end of each year, expect to market their crops expeditiously.

This House has supported the idea of farm storage before. I have, on two occasions in two different years, written to the Hon. C.D. Howe suggesting to him a plan similar to that in the United States, for two reasons: one, that the farmer could receive some advance payment to carry his operational costs; and two, in the interest of orderly marketing, in order that we could relieve the pressure on our transportation facilities and on our handling facilities, and thus achieve orderly marketing and movement of grain to the lakehead. At present there is a hue and cry about raising the delivery quotas and terrific competition between delivery points. A lot of those things could be eliminated if we adopted such a plan. I think it is inevitable. I pointed this out to the Hon. Mr. Howe, and stated I felt that we would finally accept this, because even with a normal crop or a small crop, with our combines and trucks we can plug every country elevator point in this province in two-weeks' time; with consequent pressure for boxcars to get the grain to market. An advance payment plan and a system of farm storage would eliminate a good many of those problems, Mr. Speaker.

I did intend to say a little bit more about this entire matter, particularly about assistance to underdeveloped countries in order that they may become customers of ours in the future, but that is not the question before the House at the moment, Mr. Speaker, so what I have said will suffice. I would like to see the hon. members opposite support this motion, though I cannot quite understand how they can support the motion and at the same time say some of the things they have said in the course of this debate. At any rate I hope they will support this motion, and that we will have such a conference. I congratulate the Premier on having taken the initiative in this matter. It is not pertinent to say, "Who asked you to do this?" As I

March 29, 1954

stated in previous debate, we come from the ranks of the farm people and we do these things naturally. We are expected to show leadership and, as a government we are concerned about the economy of this province, and this province is a focal point in the world wheat problem.

The motion has been well presented, in an unbiased manner. I regret very much that the hon. Leader of the Opposition interjected his usual political observations into the discussion. I hope, however, that he will rethink his position and support the motion, Mr. Speaker.

Mr. Kohaly (Souris-Estevan):

Mr. Speaker, I won't have very much to say about this except that I am very pleased to see this House considering the problem that is involved. We are aware of the tremendous difficulty that has been created on our farms due to the happy situation of extra grain; but it is a difficult thing to carry on commerce and ordinary everyday trade and traffic by the farmer and by the businessmen who are associated with the farmer.

One thing I wish to point out is that I have sat here for a short while and constantly found myself on the wrong end of the stick insofar as my political affiliations are concerned. I would like to say to both sides of the House, who have apparently congratulated those people who first thought of the Wheat Board and brought it to this country; I think it is fair enough to say that it was a conservative government that did that, and if that is interjecting politics then I am all in favour of politics.

Mr. Speaker: — Does the mover of the motion wish to exercise his privilege of closing the debate — or if anyone wishes to speak he must do so now.

Hon. Mr. Brockelbank (Minister of Natural Resources):

Mr. Speaker, I just wish to say a few words. the hon. Minister of Agriculture was wondering how it was that the Leader of the Opposition and the member for Arm River could talk as they did about this motion. I think it is only fair to the members of the House that they get some of the facts and understand why they do things like that.

I have in my hand the Journals for 1939 and, back at that time, I find that a motion was moved in this Assembly by the member for Arm River — an amendment. That motion asked for the Canada Wheat Board. First of all it started out with thanking the Federal Government for its action in instructing the Canada Wheat Board to accept delivery of the 1938 crop. Since my hon. friend's (Mr. Kohaly's) friends had put it in operation, the Liberal government had come in and they had put it on the shelf; then it came back into operation in 1938. But this motion says:

“This Assembly urges the Government of Canada to continue the operation of the Canada Wheat Board for the purpose of taking delivery of the 1939 crop at a guaranteed minimum price at the time of delivery.”

We had had some experience of what the Liberal government of Canada thought was a minimum price, we didn't like it. We offered an amendment asking that that minimum price be fixed at a point not less than the cost of production plus an adequate standard of living. The member from Arm River

March 29, 1954

with all his friends in this House voted against that amendment at that time. This debate was adjourned and came up again on the 20th of February. In the meantime the Interprovincial Agriculture Marketing Committee had been sitting – that Committee was commonly known as the Bracken Committee. That Committee consisted of representatives of the three prairie provincial governments, of various farm organizations and the Pools across the prairies. The Minister of Agriculture in this government, Mr. Taggart, was a member of that Committee; and on that Committee he voted for the recommendations of the Committee.

These recommendations came out between the time this motion I referred to was first discussed in this House and the 20th of February when it was finally disposed of, and I remember that the man who was Leader of the Opposition then, the late Major George H. Williams, contacted the member for Arm River and coaxed him to speak, or to withdraw his motion or consent to an amendment . . .

Mr. Danielson: — Not yours.

Hon. Mr. Brockelbank: — . . . and back the recommendations of the Bracken Committee. He wouldn't do it. We had no other choice but to bring before this House the recommendations of the Bracken Committee. To refresh the memories of the members I shall read that amendment:

“This Assembly upon the Government of Canada that it delay introduction of its proposed bonus legislation until such time as it has heard and given due consideration to the representations of the interprovincial agricultural marketing committee, commonly known as the Bracken Committee, and this Assembly also joins with that committee in urging the Dominion Government to establish as its wheat policy for the crop year 1939-40; (a) the continuation of a Wheat Board for 1939-40; (b) the setting of a guaranteed price for wheat of at least 80 cents for No. 1 northern, basis Ft. William; and further recommends (a) the inauguration of an acreage bonus to farmers who suffer from unavoidable crop failure; (b) the extension of the guaranteed price and acreage bonus to oat and barley crops.”

That amendment was settled on division, and find not only the member for Arm River voting against the recommendations of the Bracken Committee in asking for 80 cents a bushel at the lakehead, but also Mr. Taggart, the Minister of Agriculture, getting up in his place and voting against the recommendations of his own committee of which he was a member.

Mr. Danielson: — It was already in my resolution.

Hon. Mr. Brockelbank: — Oh, no, it wasn't. Mr. Speaker, the hon. member has a very poor memory. Here is his resolution . . .

Mr. Danielson: — You read it all.

Hon. Mr. Brockelbank: — Here it is:

“That this Legislative Assembly desires to express its appreciation to the Government of

March 29, 1954

Canada for its action in instructing the Canada Wheat Board to accept delivery of the 1938 crop . . .”

I haven't come to it yet, have I? Let's go on:

“ . . . and that, pending the establishment by the Dominion Government of a permanent marketing policy . . . (they had no permanent marketing policy) . . . this Assembly urge the Government of Canada to continue the operation of the Canada Wheat Board for the purpose of taking delivery of the 1939 crop at a guaranteed minimum price at the time of delivery, or that some more equitable method of assistance be adopted which will permit the producer to carry on and maintain a reasonable standard of living.”

Hon. members can get the Journals and can read that and they can read the amendment, and there isn't much to compare between them.

Mr. Danielson: — No difference.

Hon. Mr. Brockelbank: — Now we come to 1942, Mr. Speaker, and again in this Assembly, on February 27th, the Premier, the Hon. Mr. Patterson, seconded by the Hon. Mr. Parker, moved a motion on the question of marketing. The motion is long. I do not want to tire the Assembly by reading all of it; but it is in separate clauses. Listen:

“Further, this Assembly strongly endorses the request placed before the Dominion Government on the 2nd day of February, 1942, by the delegation representing western farmers and urges the Government to implement these requests.”

Now, let us follow that up . . .

Mr. Danielson: — You read it, and there is nothing there at all.

Hon. Mr. Brockelbank: — You remember, Mr. Speaker, that on February 2nd, 1942, the delegation of farmers — two of them — met representatives of the Government at Ottawa and made certain recommendations; and they had the strong and unanimous backing of this Legislature in that request. Then we come along to March 17th, and I moved this motion:

“That this Assembly wishes to give full credit to the Wheat Pool in giving a lead to public opinion in the matter of prices for farm products and for organizing a movement which resulted in the delegation representing western farmers, ably presenting their requests to the Dominion Government on February 2nd, 1942; but regrets that these requests which were strongly and unanimously endorsed by this Assembly (including the hon. member for Arm River) on February 27, 1942, were not implemented in full, including the advance payment of \$1.00 per bushel for wheat and the principle of parity prices for all agricultural products.”

March 29, 1954

On a later date that motion was finally dealt with and we find that the Liberal Party in this Assembly, which was then the government, refused to say that, "They regret that the Federal Government had not implemented the requests of that farm delegation." Instead of that they moved an amendment (which they had the strength to carry) expressing appreciation to the Government of Canada for, "substantially increasing the advance for wheat" . . .

Mr. Gibson: — How much?

Hon. Mr. Brockelbank: — Was it 10 cents?

Mr. Danielson: — We got \$1.03 for that crop.

Hon. Mr. Brockelbank: — "Increasing the authorized delivery total"; "not placing a ceiling price on wheat"; "establishing a substantial minimum price for oats and barley"; "establishing a substantial fixed price for flax"; "continuing financial assistance for acreage diversion" (that is when we were to grow less wheat and help win the war); and "maintaining the Prairie Farm Assistance programme." Of course that amendment carried, and this Legislature refused to say that they were disappointed that the requests of the delegation of farmers were not implemented.

Probably most interesting of all, in explanation of the attitude of the hon. members opposite I would say to our Minister of Agriculture, is the fact that all the Liberals in the House at that time refused to vote for an amendment which recommended the abolition of the Winnipeg Grain Exchange — including my hon. friend from Arm River. The Liberal Party in this province, the Liberal members in this Assembly, have, year after year, continued to pour unearned praises on the Federal Government for not doing what it should have done, and have continued to rake the Federal Government's chestnuts out of the fire.

Mr. Speaker, I will support the motion.

Premier Douglas (Closing):

Mr. Speaker, when I presented the resolution now under discussion, last Friday, I had hoped that it would receive the unanimous and enthusiastic support of members in all parts of this House. I am disappointed that the statements made by the Leader of the Opposition and those who support him this afternoon, have indicated that they have apparently little or no enthusiasm for the subject matter of this resolution.

The Leader of the Opposition started out, this afternoon, by saying that he could see little value in the western conference as proposed in this resolution. If I caught his words correctly he said, "I don't know what could be accomplished by this conference that has not already been decided." And he made reference to the fact that there has already been a conference in Ottawa between the grain trade and other interested parties and the federal authorities and that all the problems mentioned in this resolution had been dealt with and decided upon.

Well, Mr. Speaker, if those problems have been dealt with and decided upon, somebody is keeping the solution secret, because certainly no one that I know of has been told. If the Federal Government has informed anyone else . . .

March 29, 1954

Mr. Loptson: — Mr. Speaker, I referred to the Minister of Agriculture. Your Minister of Agriculture was there and he must know.

Hon. Mr. Nollet: — Mr. Speaker, I forgot to deal with some comments made by the hon. Leader of the Opposition and that was one of them. I meant to mention in my remarks that the conference does not discuss marketing problems at all. It is just simply a review and forecast of problems. Some members of the provincial governments, of course, mentioned some of these things, but the marketing problem was not dealt with. It deals more into production problems.

Mr. Loptson: — The problem of storage.

Hon. Mr. Nollet: — Well, it was that kind of a conference.

Premier Douglas: — Mr. Speaker, the Leader of the Opposition did not say the conference he had reference to was the conference held by Ministers of Agriculture regarding production problems. I don't know what conference he was referring to, but I am still saying that if the Federal Government has had any conference with any group of people which had evolved solutions to the problems that now confront the farmers by virtue of the fact that they need storage space this fall, and they need some method of financing their crop — I say, if those solutions have been evolved they certainly have been kept secret, because so far no announcement has been made by any responsible Minister at Ottawa or elsewhere as to what they propose to do about these very important problems that are now pressing in upon the wheat producers of Western Canada.

The Leader of the Opposition rather pooh-poohed the idea of a conference and said that, as far as he knew, we had made no approach to the government of Manitoba and we had made no approach to the government of Alberta, and he did not know whether or not they would attend such a conference; and of course not, Mr. Speaker. In the first place, we are not suggesting that we call the conference. We are asking this Legislature to express an opinion that such a conference would be useful. I would like to see the farm organizations themselves, the Pools or the Federation of Agriculture or other farm organizations sponsor such a conference. If it is to fall to the provincial governments of the west to sponsor such a conference I know that we will be glad to take an active part or to sponsor it if necessary. I think the proper people to sponsor such a conference are the farm organizations themselves.

Mr. Loptson: — That's right.

Premier Douglas: — But, Mr. Speaker, it would be the height of impropriety for this Government to be writing to the Manitoba or Alberta governments or to the Pools or anyone else prior to getting an expression of opinion from this Legislature. That's all we ask for. We ask for an expression of opinion saying that the members of this Assembly would be wholeheartedly in favour of Western Canada speaking with a single voice and western Canada saying that there are certain problems arising out of the problem of carrying this surplus of wheat and that we would like to bring those problems to the attention of the Federal Government.

I tried to make it abundantly clear, the other day, that we are not deprecating the fact that there are large quantities of wheat. As I pointed out, we think that wheat is an asset, and it is better to have a flood of wheat than a storm of dust. We consider a great surplus of wheat against

March 29, 1954

future deficiency periods a great asset to the people of Canada. What we are saying is that the problem of carrying that surplus of wheat is not a burden that should be loaded onto the shoulders of the wheat producer. The responsibility for carrying an orderly marketing system is responsibility which should be borne by the national economy of Canada as a whole.

The other thing that disappointed me in the statements that have been made is that apparently the members of the Opposition are not in favour of cash advances for wheat stored on the farms. The Leader of the Opposition and the member for Arm River made what I think is a rather facetious suggestion that maybe the Provincial Government ought to . . .

Mr. Loptson: — Mr. Speaker, we didn't say that we were not in favour of it. I said it was a responsibility of yours more than of the Federal Government.

Premier Douglas: — Well, my friend the Leader of the Opposition says they didn't say they were not in favour of it. The member for Cannington's words were, as I caught them, "I think it is not a good policy to pay advances on wheat." I don't think it could be more specific than that. "I think it is not a good policy," he said, "to pay advances on wheat."

Mr. McCarthy: — Read the rest of it.

Premier Douglas: — I was not taking it down in shorthand. I simply took that sentence down. But the Leader of the Opposition and the member for Arm River rather factiously said, "That's the responsibility of the Provincial Government." The Leader of the Opposition went on to say that the Liberal governments in this province had helped farmers out in days gone by. He talked about the time they had 'bailed out' the Wheat Pool when they were having trouble. I was rather interested in that. It occurred to me that, since, "the Communists had started the Wheat Pool", the Tory premier we had at that time must certainly have been collaborating with the Communists when he helped keep the Wheat Pool in existence.

Mr. Loptson: — The Liberals helped to organize it.

Premier Douglas: — Then he mentioned the fact that the Liberal government had given advances on seed grain, had given relief and had given assistance through the Farm Loan Boards. He omitted just one thing and that was, to mention that while they made these advances they left the C.C.F. government to pay for them when they came into office.

Mr. Loptson: — You didn't pay for them.

Mr. Danielson: — What an untruth!

Premier Douglas: — The member for Arm River went so far as to say that it was a picayune thing to provide financial assistance to farmers who needed help to finance their farming operations. He said probably only half a million dollars. Half a million dollars!

Well, Mr. Speaker, let's assume that it would take at least a thousand dollars to finance each farmer, this spring and this fall, through both his seeding and his harvesting operations. At a thousand dollars a piece his half-million dollars would allow us to help 500 farmers to finance themselves through this operation. Is the member for Arm River suggesting that out of

March 29, 1954

the 112,000 farmers in Saskatchewan there are only 500 farmers who are going to need any assistance in financing their operations during the coming year? Is that his suggestion, Mr. Speaker?

Mr. Danielson: — Mr. Speaker, on a point of privilege . . .

Premier Douglas: — I didn't interrupt my friend when he was speaking.

Mr. Danielson: — No, but this is a point of privilege. The Premier is distorting exactly what I said. I pointed out to him that, in view of the results of the convention in Saskatoon of the rural municipalities, there will be a few that need that. That's what I said, and there are not very many. Don't distort what I said.

Premier Douglas: — Mr. Speaker, that's not a question of privilege.

Mr. Danielson: — It is a question of privilege.

Premier Douglas: — That's not a question of privilege, Mr. Speaker. However, I am not going to argue with my friend about it. The fact remains that what he said is that there would be a few, and by his own figures that would be 500 farmers. I am saying that there are at least 500 farmers in my constituency alone who need financial assistance during this next year. I am convinced I could find 500 farmers in the constituency of Arm River who would need assistance to see them through this next year.

Mr. Danielson: — I want to tell you . . .

Premier Douglas: — My hon. friend will be the one who will have to answer to his own constituents and to the people of this province when the Liberal Party go out to say that only 500 farmers need financial assistance.

Mr. Danielson: — I never mentioned about 500; I didn't mention the amount. He's figuring now to finance them for all next year. He is distorting entirely what I said.

Mr. Speaker: — Order!

Mr. Danielson: — He is distorting everything I said.

Mr. Speaker: — Order! Order!

Mr. Danielson: — But he can't do this without any . . .

Mr. Speaker: — Order!

Mr. Danielson: — If he can't tell the truth . . .

Hon. Mr. Bentley: — Oh, sit down and take it.

Mr. Speaker: — Order! Order!

Premier Douglas: — It is strange that whenever the member from Arm River backs himself into a hole he always starts to explode himself out of it by accusing everybody of misrepresenting the situation. He used the figures — not I. He used the figures of half a million dollars. Half a

March 29, 1954

million dollars is all it would take. I am giving him \$1,000 per farm, and that is low; if you said \$1,000 per farm, that would be 500 farmers. He said there would only be a few. I am saying that you would need, in some constituencies alone, half a million dollars to enable the farmers to finance during the next year. If when we get to July 31st, we have only had a 8- bushel quota, with the carryover from the 1953 crop and if there is a reasonably good crop in 1953, there will be a great many more than 500 farmers who will need financial assistance. My friends opposite, in the face of this serious situation, make the facetious suggestion that the Provincial Government ought to finance the farmers through this time. The Provincial Government ought to provide storage facilities . . .

Mr. Loptson: — You should do something.

Premier Douglas: — Mr. Speaker, it is not the Provincial Government who are marketing the farmers' wheat. It is the Canada Wheat Board who have accepted that responsibility. All the elevators have been declared to be 'works for the general advantage of Canada'. Provincial legislation has been passed enabling the Wheat Board to handle coarse grains as well as wheat. It is a federal responsibility. They are the people who are taking delivery of the farmers' wheat. They are the people who are marketing it. They are the people who must accept the responsibility for an orderly marketing programme, and I agree with it. If they are going to feed wheat onto the world market as the world market can absorb it, and thereby keep millions of bushels of wheat in storage in Canada, they are the people who must accept the financial responsibility of enabling the farmer to survive during that period when that wheat must be stored in Canada.

For responsible members of this House to get up and say that this is something the Provincial Government ought to assume, that we ought to say to the Wheat Board and to the Bank of Canada, "You step out of the way, gentlemen, we'll finance the farmers through this; we'll build the storage facilities; you step aside; we'll look after this thing for you" — it is the most irresponsible statement that has ever been made by public men in my hearing.

Hon. Mr. Brockelbank: — Look at the public man.

Premier Douglas: — It is passing strange to me that the member for Cannington should say it is not a good policy to pay advances on wheat and that the Leader of the Opposition should pour cold water on it by saying, "If you pay advances on wheat, the Wheat Board is setting the price and the farmers don't want the Wheat Board to set the price." Why, the Wheat Board sets the price now! They set the initial payment of \$1.40. All we are suggesting is that 75 per cent of that \$1.40 be paid to the farmer for the wheat stored on the farm and the other 25 per cent be paid when the Wheat Board is able to take delivery of that wheat.

Why this change in attitude on the part of the Opposition? I find in the Journals of the House for 1941 that, on the 28th day of February a resolution was introduced by the Premier at that time. Hon. W.J. Patterson moved, seconded by Mr. Taggart:

"That this Assembly request the Federal Government to adopt the following policy in respect of the 1941 wheat crop:

March 29, 1954

- (1) That the minimum price for the 1941 wheat crop be 85 cents a bushel.
- (2) That a processing tax of 50 cents a bushel be levied on all wheat processed for consumption in Canada.
- (3) That delivery of the 1941 crop be made on an acreage quota.
- (4) That the Government of Canada make advances to farmers for the purpose of providing funds with which to build essential farm storage.
- (5) That the Government of Canada make provision for advances to farmers on the credit of the quota to be delivered.”

Mr. Kramer: — Was that an election year?

Premier Douglas: — Mr. Speaker, they voted for that. I find here in the ‘Moose Jaw Times Herald’ of Tuesday, September 4, 1951, a news item from Saskatoon. The heading is “Tucker Suggests Advances to Farmers for Storing Wheat.” It says:

“Walter Tucker, Saskatchewan Liberal leader, in a letter to Trade Minister Howe today suggested that elevator companies be authorized to advance farmers up to 75 per cent of the initial payment on the first ten bushels of wheat an acre stored on the farms. He asks that the plan be given immediate consideration by Ottawa. Mr. Tucker also urged that farmers who stored their own wheat be paid an extra cent a bushel a month for six to eight months on this wheat when it was finally delivered. This would pay part of the cost of storing wheat on the farms. Such financial inducements might result in a large amount being stored on farms, thus making room in the elevators for the grain of farmers unable to store it themselves.”

Mr. Kramer: — Ask them if that was before they went back to the grass roots.

Premier Douglas: — Here is a resolution of a Liberal Premier in 1941, seconded by the Minister of Agriculture at that time. Here is a statement of a Liberal leader in 1951 . . .

Hon. Mr. Fines: — Who would like to have been the Premier.

Premier Douglas: — . . . who suggested precisely the same thing. Today when we bring it forth to get a united voice on this important question, the gentlemen opposite get up and either say, “it is not a good policy to pay advances on wheat,” or push it aside and say, “why doesn’t the Provincial Government do it.”

Mr. Speaker, I think the people of this province will not take kindly to the fact that, when this Legislature was seeking to speak in a spirit of

March 29, 1954

unity and unanimity, these gentlemen, whose own party has been on record since 1941 as favouring the payment of storage and advance payments to the farmers, on grain stored on the farms, now will turn around and oppose a resolution suggesting these very things.

Hon. Mr. Fines: — They haven't the courage to stand up.

Premier Douglas: — A lot of people will want to know why. Were they not serious when they supported these resolutions before? Was it because these resolutions happened to come before general elections? Why did they support them before? Why are they against them now?

Mr. McCarthy: — We're not against it. We're going to vote for it.

Premier Douglas: — The member for Cannington says they are not against it. Look at his statement: "It is not a good policy to pay advances for wheat stored on the farm."

Mr. McCarthy: — On a point of privilege. If I said that it doesn't make much difference. What I objected to in your speech was 'buying' the wheat, not the advances. In your speech you said either advances or buying, and that is the part I objected to, not the advances.

Premier Douglas: — The one statement that kept recurring through remarks of the gentlemen opposite was that the Government was seeking to undermine or attack the Wheat Board. The Leader of the Opposition said the C.C.F. keep reminding importers overseas that we have a large surplus of wheat. That is a rather ridiculous statement. The importers don't need to be reminded about a surplus of wheat. They have daily quotations on wheat storage, on wheat deliveries, on wheat exports. They know exactly how much wheat there is in every wheat-exporting country in the world and in wheat-important countries in the world, and there is no statement by us about a surplus that is going to make any difference to the importers.

What is important is for this Legislature to say what we are saying in this resolution. That is to say to every importer in the world that we in the great wheat-producing area of Canada are in support of the Wheat Board; we are in support of an orderly marketing system; we are opposed to any 'fire-sale' policy of disposing of our wheat; we have sufficient confidence in this orderly marketing system to believe that when the deficiency periods come again our surplus of wheat will be required and, therefore, we are not going to dump it; but also saying, that during the time we are waiting for those deficiency periods to absorb that surplus, we want some assistance for our wheat producers in this province and in our neighbouring provinces. That is what we are saying.

There is no need for anyone on this side of the House to defend the record of the C.C.F. with reference to the Wheat Board. Some of us were fighting for the Wheat Board when Liberal speakers and present Liberal cabinet ministers were damning the idea of orderly marketing and condemning the Wheat Board as impracticable and unfeasible.

Gov't Members: — Hear, hear!

Premier Douglas: — . . . when Liberal speakers were getting up and saying you could not market wheat unless you had a Grain Exchange, that you had to have a Grain Exchange so you could get some idea from supply and

March 29, 1954

demand as to what the world price was. I listened to all those arguments for years. The Liberal Party is the last convert in Canada to the orderly marketing system. They were the last people to crowd in under the wire, and I want no lectures from them about the danger of undermining the Wheat Board. Then the member for Arm River says if we keep criticizing the Wheat Board, we are liable to lose it. Well, Mr. Speaker, I reserve the right to criticize a thing even if I believe in it. The mere fact that I stand on the station platform and complain that the train is late does not mean that I want the tracks torn up and have no train at all.

Let there be no attempt to intimidate or to blackmail the people of this country into keeping silent as to what they want on the threat that they will lose the Wheat Board. We fought for the Wheat Board. We will fight to keep the Wheat Board, Mr. Speaker, we are not blaming the Wheat Board. The present situation is not the making of the Wheat Board. The Wheat Board, in my opinion, is doing an eminently satisfactory job of marketing our wheat in a very difficult situation. The Wheat Board, however, has no authority to make cash advances. They operate under an Act of Parliament. They have no authority to make provision for storage on the farm. That is the responsibility of the Parliament of Canada and the Federal Government. All we are suggesting is that the Federal Government look at this domestic problem, the problem facing the farmer. We are not asking the Wheat Board to do it. The Wheat Board cannot do it unless it gets statutory authority. I don't want any misunderstanding of what I have been suggesting.

The Leader of the Opposition in talking about this conference said, "Well, if you have such a conference, you cannot do anything about the price of wheat." I am not suggesting this conference to do anything about the price of wheat. It is not our job. I would draw your attention to the resolution again. We express the opinion:

"that a conference of the representatives of western agriculture and the three Prairie Governments along with other interested parties could do much to assess the nature of the present wheat situation . . ."

That is the first thing – to assess the nature of it. As I said the other day, if in the course of the next few weeks there are large movements of wheat and the situation improves, I think we will all be very happy. But if the situation has not improved then this conference should meet:

"with a view to making representations to the Government of Canada (not to the Wheat Board) regarding . . ."

What? The price of wheat? No –

" . . . regarding the problem of storage space and the need for assisting the farmers to finance their operations."

As I see it, Mr. Speaker, as far as the provincial legislatures are concerned and as far as the farm organizations are concerned, it is not our problem to start suggesting to the Wheat Board how they can sell wheat. They know more about selling wheat than we do. It is our responsibility, as provincial members, to draw the attention of the Federal Government to this effect:

March 29, 1954

that we support them in an orderly marketing programme, and that we will support them to the hilt in it, but that orderly marketing programme has created a domestic situation. That domestic situation is that farmers have, in many cases, large sums of money tied up in wheat stored on their farms. It represents wealth to them, wealth which they cannot liquidate and money which they cannot liquidate and money which they cannot get at. If they are going to put in a crop this spring – more important still, if they are going to take off a crop next fall and live through next winter, it will be necessary for them to be able to turn part of that crop into ready cash, even though it has to stay on the farm.

That is not an international problem. It has nothing to do with selling wheat. It is a local and a domestic situation which, I believe, the Federal Government can face up to. The government of the United States has had to face up to it in the past. I think our Government has to face up to it. My hope, in introducing this resolution, was that the governments of the three prairie provinces, opposition parties, farmers' organizations, Pools, co-operatives, retail merchants, representatives of municipalities, school boards – all the people who are charged with the responsibility of keeping the western economy solvent would come together to do two things: (1) to see what we could do and what contribution we could make to meet this domestic situation, and (2) to make concrete and positive proposals to the Federal Government as to what they could do.

There isn't any doubt, Mr. Speaker, that Western Canada has a problem. None will deny that. Some will think it is a smaller problem than others, but it is a problem, because whatever affects the western farmer affects all the western economy. If the farmer's purchasing power dries up, the merchants, the bankers, lending institutions, the oil companies, the implement companies, the municipal secretaries, school boards, the provincial governments – everybody feels the effect of the lack of purchasing power in the farmer's pocket. so it is a problem for Western Canada.

Western Canada in terms of population does not represent the majority of the people of Canada. Therefore, if Western Canada is going to be heard, Western Canada must speak with a single voice. If such a conference is called and if such a conference decides to go to Ottawa, I had hoped – and I still hope – that it would go to Ottawa with the support of every daily paper, with the support of every political party, with the support of every segment in our western economy; that it would go to Ottawa without any political delineations, without any partisanship, to speak for Western Canada as a whole and to say to the Government of Canada and to the Parliament of Canada that we in the west are prepared to carry our share of the burden, but that, in terms of this wheat question, if Canada is to continue to follow an orderly marketing system (and we are agreed that they should), we think that special measures must be taken so that the western economy does not carry all the burden which should be carried by Canada as a whole.

I do hope, Mr. Speaker, that when this resolution is passed it will be supported by all the members. I hope even more that it will be supported by all of the people of this province.

The question being put, it was agreed to unanimously by voice vote.

The Assembly then adjourned at 11 o'clock p.m.