

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session - Twelfth Legislature
29th Day

Tuesday, March 22, 1955

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

FEDERAL-PROVINCIAL CONFERENCE (Unemployment)

The House resumed the adjourned debate on the proposed motion of Mr. Erb:

“That this Assembly call upon the Federal Government to convene a Federal-Provincial Conference for the purpose of devising ways and means of combatting growing unemployment and falling farm prices and implementing the proposals of the 1945 Reconstruction Conference, with particular reference to national health insurance and public investment as a means of maintaining full employment and a high level of national income.”

Mr. M.J. Willis (Elrose): — Mr. Speaker, I want to confine my remarks, this afternoon, to the part of Federal aid to education in regard to this motion. Under the Sirois report in 1940, it was mentioned that there should be aid to education. Then, under the green book in 1945, it has been deleted altogether.

I think the provision for equal educational opportunities for all Canadians is now regarded as a matter of national concern. It is realized that a more highly educated community means more jobs of a professional and industrial nature, and the development of a nation's human resources is a part of any post-war plans for high employment. The Sirois Commission recognized these facts, and one of its fundamental recommendations was that each province should be enabled to bring its educational and other welfare standards up to a good Canadian average. However, these last Dominion proposals make no mention of help in financing primary and secondary education. Yet, today, courses are offered by the army, the navy and the air force to students of our high schools to improve their standings, and we all realize the importance of education for all Canadian children, irrespective of the province from which they come and irrespective of the economic status of their parents, and we want financial stability in our educational structure in Canada. When economic disaster hits one part of Canada, education is the first casualty. We, in this province, know that that happened in the period from 1930 to 1938.

The answer to evade Federal aid to education is always that it will involve Federal control. Nevertheless, the technique of Federal grants-in-aid without Federal control has already been established under the Agricultural Instruction Act, under the Technical Education Act, under the Youth Training Act and under the Vocational Training Co-ordination Act set-up in which there was an advisory council to advise the Minister on various types of vocational training and included representatives of the provincial departments of education.

Co-operative plans in operation, or that have been completed, include: training for war industries and tradesmen for armed services; vocational training for ex-service personnel and apprenticeship, and projects for

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the post-war period included the retraining of industrial workers, and Dominion assistance to vocational schools under P.C. 1648, March 8, 1945, which authorized the Federal Minister of Labour to enter into agreements for ten years with any provincial government to provide Dominion assistance in vocational training . . .

Mr. Loptson (Saltcoats): — Mr. Speaker, on a point of order. Not that I am objecting to the hon. member talking about something that does not relate to this resolution, but I just wanted to draw your attention to it, and if we want the same privilege we should have it. There is nothing at all in this resolution about education.

Mr. Willis (Elrose): — Mr. Speaker, as I read and understand it, to give full employment our Canadian youth has to be trained so they will be able to get full employment, and so education is part of it. I contend that I stated that when I started off.

Mr. Speaker: — The point of order is not well taken. Continue.

Mr. Willis: — The Order in Council provides a lump sum in the form of a Dominion grant (not by any provincial government) of at least \$5,000 in Prince Edward Island and \$10,000 to each other provincial government, the Federal allotting among the provincial governments an annual amount of \$1,915,000 for a period of ten years, and allotted in accordance with the number of young people from the ages 15 to 19 in each province. Thirdly, allotting \$10 million for capital expenditures, buildings, equipment, for immediate expansion of vocational facilities on the following conditions: that each provincial government matches the Dominion contribution.

These financial proposals are directed to the achievement of high and stable employment and income and the general welfare of the Canadian people. Other Federal grants have been university research scholarships, D.V.A., University grants to the Research Council for University research and the training of cadets at colleges. The idea of the quality of educational opportunity is simply an attempt to give every Canadian child as good a chance as any other Canadian child, and financial problems in education display inadequately trained teachers, lack of buildings and equipment and unequal distribution of wealth between provinces and districts. Schools must have teachers of scholarship, ability, character and qualities of leadership, or the whole edifice, educationally, will tumble down.

The educational cost from 1951 to 1952, namely, the costs of educating 2,481,000 enrolled pupils, was \$432,824,000, or 87 cents per pupil, or about \$1.00 per pupil in average daily attendance. In 1952 to 1953 there were 5,100 teachers with no professional training in Canada and 3,700 with partial training. If we accept this statement as true, we get what we pay for in education as in other social services. Children in different parts of Canada are not receiving equal educational opportunities. The pupil-cost in 1951 to 1952 in British Columbia is three times the cost of education per pupil in Newfoundland and Prince Edward Island. The cost in the provinces west of Ontario was 52 per cent higher than in the provinces east of Ontario, or the per capita cost varied from \$16.84 per pupil in one province to \$45.34 in other provinces. Or, in other words, in one province, its society will spend 43 cents per day on education where another spends \$1.46 per day.

Mr. Speaker: — I take it that the hon. member intends to tie this up with the resolution.

Mr. Cameron (Maple Creek): — Mr. Speaker, on that point of order again. I am lost as to whether he is speaking on No. 3 under Motions, or No. 3 under Public Bills and Orders. I think there must be a confusion. He must be speaking on Mr. Wooff's motion.

Mr. Speaker: — The motion that the hon. member is speaking to is No. 3 under Public Bills and Orders and he adjourned the debate; but I expect that he intends to tie up this question of education with the means of providing employment and things of that kind.

Premier Douglas: — I think the member has already tied it up. The resolution here calls for a Federal-Provincial conference to discuss among other things the implementing of the proposals of the 1945 Reconstruction Conference and to devise ways and means of maintaining full employment and dealing with low farm income. The member has already pointed out that he thinks Federal aid to education is one of the things that ought to be discussed at a Federal-Provincial conference, and that on the agenda of that conference there ought to be discussion of Federal aid to education.

Mr. Speaker: — I think the hon. member is quite in order discussing it.

Mr. Willis (Elrose): — Mr. Speaker, with your permission. It is rather strange that the first time I speak in this House this Session — particularly the members over there, have spent a lot of time on the air and they never said very much; so consequently if I don't say very much, why, it is on par with what they have already said.

Mr. Loptson: — We were always on the right track anyhow.

Mr. Willis: — On a per capita basis the relative taxpaying abilities of a province, using personal income as the index, the ratio of 100, 118, 134, 153 up to 218, we find that Prince Edward Island has the least ability, and Ontario the most. Provinces with no taxing ability ratios would doubtless find it impossible to finance school programmes acceptable to provinces with high ratios. The need at provincial level for a measure of equalization of both school costs and educational effort is indicated. Future costs will inevitably increase due to larger enrolments and increased enrolments also in high school enrolment. These costs of high schools will be 50 to 60 per cent higher than elementary classrooms. Assuming that the birth rate and immigration trends continue, as it is estimated, in 1961, the elementary enrolment will be increased by 42 per cent; the secondary school enrolment by 52 per cent. In 1961 to provide accommodation, we will require in Canada 28,500 additional classrooms; by 1965, 38,000 classrooms and we will require 38,000 more teachers which will cost \$85 million for salaries.

In terms of the 1954 dollars, the combined operating and maintenance and net retirement bill for elementary and secondary education may increase by \$230 million annually to 1965. Today, 65 per cent, or 140,000 students, boys and girls in grade 7, quit school before they complete grade 11. Canada cannot afford to leave these young people without the education they require. When we have a situation like this, the causes are irregular attendance, large classes, personal problems, and they require individual coaching and remedial instruction. This all costs money and consequently, the poorer districts cannot afford to give that type of instruction.

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If we take on the basis of the 1949 Dominion Bureau of Statistics report, on the capita basis, we find that Prince Edward Island paid \$13 per person for education; Nova Scotia, \$19; New Brunswick, \$20; Ontario, \$23; Manitoba, \$22; Saskatchewan, \$27; Alberta, \$32; British Columbia, \$30; Quebec, \$19; and Newfoundland, \$13. The net result is that the teacher's salary in Prince Edward Island was \$1,083 per year, while in British Columbia it is \$2,668. It indicates to me that the students in Prince Edward Island are not having the same opportunity as students in the province of British Columbia.

In regard to this, on October 19, 1949, Hansard, page 946, the Prime Minister of Canada said this:

“I am sure that all hon. members have welcomed this opportunity of focusing their attention upon this assertion, one which certainly appeals to each and every one of us, that there should be across Canada the greatest possible degree of equality of opportunity for the education of all Canadians, the Canadians of the next generation.”

Then, Premier Campbell of Manitoba, speaking at the Federal-Provincial conference in 1950, had this to say:

“Education is a subject which is of fundamental national concern, because it far transcends the interest of any local community that the utmost use should be made of all of our natural resources and that no child should be penalized as to the education which is available to him merely because he happens to live in one part of Canada rather than another. We therefore strongly advocate that the Federal Government should accept responsibility for a substantial part of the cost of education.”

Then in the ‘Star-Phoenix’ of Friday, March 18:

“Canada's first comprehensive national survey of school financing contains recommendations for \$150 million annual Federal grant for elementary and secondary education in addition to Federal assistance to individual provinces in raising foundation programmes to an acceptable Canadian standard. Two and a half years in the making, Finance in Canada, 1955, was prepared for the Canadian School Trustees Association, School Finance Research Committee, by Dr. M.E. Lazerte of Edmonton.”

And this report was placed before the trustees at their recent convention.

Now, Mr. Speaker, I contend that, when a Federal-Provincial conference is called, the matter of Federal aid to education should be one of the items discussed, because if we have in Canada our youth well educated and with the prospects in Canada, on the verge of a new era, we want our young people to have the opportunity of accepting those positions with the growth of Canada. Consequently, speaking now to the resolution particularly, that means that our youth will not be riding the boxcars as they were in the 1930's if they are able to accept positions in an age which is known as the ‘atomic age’, and they will be able to take those positions that are offered in our society and we will be spending money to give full employment and also to see that they are off the breadline. Therefore I support the motion.

Mr. James Gibson (Morse): — Mr. Speaker, in rising to take part in the debate on this motion, I would like first to congratulate the mover and the seconder and to say that I would like to deal with that part of the motion which has particular reference to health insurance. I think it is timely to do that at this time, especially since the Federal Government at Ottawa has made proposals recently which are jeopardizing the orderly and uniform development of the Canadian nation.

Premier Douglas has already warned how the St. Laurent concessions on income tax threaten to destroy the existing taxation agreements. These taxation agreements make it possible for the first time to apply principles of justice and equity in our fiscal policies.

Mr. Loptson: — On a point of order, Mr. Speaker. I understand that at least there is a resolution on the Order paper dealing with that particular matter and I don't know how the debate . . .

Mr. Gibson: — Mr. Speaker, I think that I am entirely in order and that this resolution deals with everything I have mentioned so far. These taxation agreements made it possible for the first time, to apply principles of justice and equity in our fiscal policies . . .

Mr. Speaker: — Order! The hon. member has not proceeded far enough yet to see whether he is in order or not. Proceed.

Mr. Walker (Hanley): — What are you afraid of?

Mr. Gibson: — . . . so that the less favoured provinces would have access to revenues and opportunities for economic growth which otherwise would have remained concentrated in the wealthier provinces. It is just ten years ago since the Federal Government framed a set of proposals based on the famed Rowell-Sirois report of 1937, which, if implemented, would form the basis for the emergence of a strong and united Canada.

The core of these proposals was that the Federal Government would take the initiative in combatting unemployment, in stimulating investment and purchasing power, in controlling inflation, in broadening social security and in stabilizing and improving health services. The Federal Government would accomplish these ends by using the tax powers allocated to it by the provinces to collect tax funds for distribution to the provinces on the basis of population and need, and to use these taxation powers to modify and control the direction of our economy.

The 1945 green book proposals on health insurance were a most important part of the Federal proposals. First, they proposed that health insurance would be introduced in two stages. Hospitalization and the services of the family doctor would be included in the first stage, and the Federal Government would contribute from its revenues about 60 per cent of the cost. The full plan to be introduced later would include all specialist services, dental, nursing and laboratory services, and the cost of medicines.

Mr. Speaker, as you are aware, the Dominion-Provincial Conference of ten years ago broke down because of the lack of vision of one or two of the provinces. We know, too, that three years later, the Federal Government introduced its national health grants programme and in the words of the late Rt. Hon. Mackenzie King, "this was a first step towards national health insurance." It was at this time, too, that the Federal Government indicated that

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lack of agreement by all of the provinces would not preclude any province from going ahead on its own with federal assistance. I mention this because Liberal spokesmen have since thrown up lack of nation-wide agreement as one of the many excuses for their inaction.

The breakdown of the Dominion-Provincial Conference of 1945 was a matter of profound disappointment to the Saskatchewan Government because the development of a broad social security programme was so fundamental to the growth of Canada as a vigorous nation, the Saskatchewan Government felt that such a programme must not be delayed. Accordingly, in 1945, shortly after this Government assumed office, we proceeded on our own to provide the basis for a social security programme and, despite our limited revenue position, here are some of the things we did. For the first time we made it possible for the municipalities to help themselves develop full-time medically directed preventive health services and to encourage formation of democratically controlled health regions, for which we paid two-thirds of the cost. We also provided many consultant and other specialized services in sanitation, public health nursing, nutrition, health education and guidance, and we made sure that prolonged illness should no longer be a crushing financial burden on a patient and his relatives. We ensured that every cancer patient should receive the best in diagnosis and treatment free of charge. We removed from the backs of the municipalities much of the burden of sanatorium care for tuberculosis patients. We went far ahead of any other province in providing free care for the mentally ill and the mentally defective, and we made it possible for pensioners and others receiving provincial social assistance to have access to a complete range of needed health care at no cost to themselves and without the stigma of charity.

Then, in 1947, we introduced for the first time in North America a programme of comprehensive hospital insurance covering everyone in the province not already protected. I need not dwell on the details of this most successful venture into part of health insurance other than to say that it is the finest plan of its kind on this continent, and no government would dare abandon it.

This was about as far as we could go with our limited resources. Yet, despite our limited resources, we have actually advanced much farther than Alberta with revenues more than twice as much as ours. They have a patchwork hospital care programme, varying in benefits and costs from municipal district to district. They have a much more limited health care programme for their pensioners, and they assume only about three-quarters of the cost of caring for the mentally ill and defectives, and have left much of the health load on the backs of the municipalities.

When the Federal Government introduced this national health grant programme in 1948, we in Saskatchewan had every expectation that the grants would be used to strengthen those programmes in health insurance we had already introduced such as our Hospital Services Plan. While acknowledging the real value of these grants, I should point out their limited usefulness in respect to some of our most important partial health insurance programmes. For example, federal grants have contributed only about 8 or 9 per cent of new hospital construction in this province and have contributed nothing to the operations of our Hospital Services Plan, although such assistance was promised. They have been of little or no value in strengthening and broadening other programmes where the province of Saskatchewan had already assumed a position of leadership. The reason these grants cannot be used in connection with existing programmes

is because they are only for what is called extensions of service. As a result the province of Saskatchewan has not been able to speed up or go all out in launching the many programmes necessary to develop a comprehensive health insurance service. Furthermore, we have been obliged to devote one-quarter of our provincial revenue to health services because the Federal Government has reneged on its promises to assist partial health insurance programmes.

The question is sometimes asked, can we in Canada afford national health insurance services? To that there can only be one answer: We cannot afford to be without it. I would like at this time to quote the Hon. Paul Martin from this book to see what he has to say about it. This is the report of the proceedings of the National Liberal convention in Ottawa in August, 1948. It could be that this quotation has been used in the Legislature before, but if it has, it won't do any harm for me to repeat it, because it might help to remind hon. members of some of the promises that the Liberal Government at Ottawa have made in this respect. This is on page 175, and it is the Hon. Paul Martin, the Minister of Health for Canada, speaking. He says:

“The last great set of social reform given Canada by the present Prime Minister and his Government was a new national health programme . . .” (And here is where he refers to costs) “. . . I ask you if in the war we were able to fight to possess decency and civilization by using the wealth, the power and the resources of the state, is there any reason within responsible limits, why the same cannot be done in days of peace?”

And he proceeds to say, Mr. Speaker, and this may surprise you:

“It has been done. A government headed by the Prime Minister has done it in the new national health plan.”

In case there are some of us who think that we were not promised a comprehensive plan, perhaps I should go to the foot of the same page and read what he says there:

“The Liberal party stands for a national programme of social security in collaboration with federal and provincial governments, with the following objectives: Useful employment for all who are willing to work; standards of nutrition and housing adequate to insure the health of the whole population; social insurance against privation resulting from unemployment, from disability, from ill health, from old age. The programme will include a steady extension of insurance on a contributory basis to protect all citizens from a temporary loss of income and to provide for their old age. Health insurance covering medical, dental, surgical and hospital services on a contributory basis.”

I just wanted to read that, Mr. Speaker, to make it clear that it was a comprehensive insurance plan.

The need for a comprehensive nation-wide health service was never more evident than it is now. The Canadian Sickness Survey, carried out

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three years ago across this country by the Federal Government, established beyond doubt or argument that even during these relatively prosperous times, three Canadian families out of every five cannot afford the health services they need. The great majority of these families are in the low-income bracket, earning less than \$1,500 a year, and they make up one-quarter of all families in Canada. They pay nothing for health care. They go without the care, or they get some on a hit-and-miss, too-little-and-too-late basis, through charity.

At this point I would like to read from something that the Hon. Paul Martin has said with respect to these people I have just mentioned. This is the 'Star Weekly' of March 12, 1955; it is in the editorial column, and it is quoting the Hon. Paul Martin. He says:

“Health insurance is not a question of Socialism or regimentation, or anything of the sort . . .

I am sure, Mr. Speaker, you will be pleased to learn that.

“ . . . Health insurance is simply a question of economics. The problem of devising more adequate means by which the people can pay for the health care they require.’ This statement broadcast by the Hon. Paul Martin, Federal Minister, indicates the subject is far from dormant in Dominion Government circles.”

Well, it may be far from dormant, Mr. Speaker, but they are not doing very much about it.

Premier Douglas: — It never came to life.

Mr. Gibson: — He goes on to say:

“A system of health insurance would serve communities as well as individuals. Mr. Martin points out that rising costs of medicines, medical personnel, facilities, training and equipment, make it hard for less prosperous areas to have all the hospitals, clinics, physicians and nurses and other facilities required for the protection of the people’s health. In Ontario, for example, there is one physician for every 1,100 people, whereas in New Brunswick the ratio is one for every 1,700 people. Thus, many people of limited means who live in poorer communities, do not obtain the health care they require because they cannot themselves afford to purchase it and because communities cannot afford to help them get it. As it has done elsewhere, a health insurance system in Canada should help to distribute medical services on an equalitarian basis for everyone throughout the country.”

And from this same editorial I would like to read what the Board of Evangelism and Social Service of the United Church of Canada has to say about it. They say:

“There is no lack of evidence that health insurance is needed. The latest declaration on the subject appeared last month in the report of the Board of Evangelism and Social Service of the United Church of Canada as follows:

“In the field of health we raise money by charity to bring science to bear on T.B., arthritis, polio and crippled children. On the other hand jet bombers and modern armaments are a first charge of the public purse. While paying all tribute to the fine sacrificial service of voluntary welfare agencies, we still believe a system of public health insurance on a national scale is a vital necessity to Canada.”

When the Minister of Health can broadcast to the world that such disgraceful conditions exist in this, one of the wealthiest countries in the world, it is sufficient to make every red-blooded Canadian bow his head in shame. I wonder what those people from those less wealthy countries who do enjoy full health insurance think after hearing this broadcast. I wonder what they think of us Canadians. Certainly they won't be fooled into believing that we are either smart or progressive.

In 1919, the Liberal party of Ottawa promised a comprehensive national health insurance service on a contributory basis and in collaboration with the provinces. That was 36 years ago; and although they have renewed their promises many times, we are still waiting and hoping. And the shocking part of it is that, despite their promises, their 36 years of promises, we have witnessed every year since 1950 a breaking-away by the Federal Government from its promises to support nation-wide health insurance programmes administered by the provinces.

The first excuse for delay was that there were not enough nurses and beds. Well, here in Saskatchewan we have enough beds to meet all needs for essential hospital care, and our nurse supply is rapidly approaching adequacy. I need only cite the experience of the Swift Current health care region, its medical care programme, to demonstrate how health insurance itself is the biggest stimulus to improvement in the supply of physicians and other health personnel. In Britain, too, it was found that when the health insurance plan went into operation the supply of doctors, nurses, technicians, etc., increased faster than ever before.

Another excuse put forward is that defence expenditures are too heavy. This excuse became obsolete two years ago. Surely we have had enough experience from two wars to teach us that the first line of defence is the health of our people! Talking about backing away from promises, Mr. Speaker, I have here, taken from the 'Leader-Post' of June 21st, a statement again by the Rt. Hon. Paul Martin. He was replying to Commons speeches, Saturday from all three Opposition parties in support of Federal-Provincial health insurance. All three Opposition parties now in the House are in favour of that, Mr. Speaker. And he said:

“I know of only one provincial government that would be prepared to embark upon a scheme along the general lines that have been indicated.”

The general lines, Mr. Speaker, were the proposals in the national health insurance plan. And he says he knows of only one province, and he later said that that province was the province of Saskatchewan. He has not done anything about it, though, in spite of the fact that they did indicate in 1935 that complete agreement by all of the provinces was not necessary; that any province could go ahead on its own, with federal assistance. And he continued:

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“Health insurance has been discussed with provincial Ministers and some provincial Premiers. Voluntary health care plans and health insurance schemes in two provinces also had been studied.”

Then he went on to read a statement of government policies. He said:

“A statement of government policy made last year by Prime Minister St. Laurent that the Liberal Government is committed to a policy of contributory health insurance administered by the province.”

So, once again they have renewed their 36-year-old promise. But, Mr. Speaker, you talk about contradictions. I might just go down a little bit further. Mr. Martin said:

“He can give no encouragement that there will be an increase in federal grants.”

And then, surprisingly, he goes on to say:

“Health was primarily a provincial responsibility.”

A third excuse put forward of late, Mr. Speaker, is that voluntary plans can do the job. Now, I would hesitate to discredit voluntary health insurance plans; I belong to one myself. It costs \$52 a year for my wife and me, and I don't belong to it hoping or expecting that I shall get the benefits from it that I would from a national health insurance plan. I belong to it because I believe in insurance, and I believe a little insurance is better than none. But even Mr. St. Laurent himself does not believe in voluntary plans, Mr. Speaker. This is what he has got to say about it; and before I quote this I should point out that, if you belong to one of those voluntary plans you have your annual contribution to make to it, and it is a tax just the same as a tax would be for a national health insurance plan. It is true it is not compulsory, but you are not covered if you don't pay. Here is what Mr. St. Laurent says:

“Public bodies must control and be held accountable for tax-derived funds. The duly elected representatives of the people are the persons who should determine how a tax supported programme of health care insurance should function.”

What is more important is that comprehensive health insurance is not simply prepayment for needed doctor's care, hospital care, optometrist's care, chiropodist and physiotherapist care. A true health service should be a co-ordinated and unified service with all aspects in proper balance and in relation to one another. A crippled or disabled person, for example, needs access to many facilities, services and skills if he is to be properly set along the road to recovery, the best use of his body, and eventual return to a useful and productive life.

Only a government-administered health service responsible to the legislature and to the people, would bring all the necessary programmes into proper relationship. The arguments for the introduction now of a comprehensive nation-wide programme of health insurance are so compelling that we

can view only with dismay the present sorry abdication by Ottawa of its responsibilities. The vision of 1945 seems to be completely lost. The vision was far more than health insurance, far more than a scheme for repaying and budgeting for the costs of unpredicted illness. The vision was part of a great goal of health security, income security and opportunities for all Canadians, irrespective of their economic status or geographic location.

Mr. Speaker, I will support the motion.

Mr. Arthur T. Stone (Saskatoon City): — Mr. Speaker, in rising to support the motion, I must say I thought the mover of the motion, the hon. member for Milestone (Mr. Erb), made a very excellent job of introducing it a week or so ago, when he clearly outlined the reasons why such a conference should be called.

Since the motion has been put on the Order Paper, there are indications that our Prime Minister is about to call a Dominion-Provincial Conference some time in April. Be that as it may, I think this legislature would be lax in its duty if it did not register its concern over the rise in unemployment and at least offer some suggestion as to how that could be curtailed. I have intimated, Mr. Speaker, that I am going to talk on unemployment, and I hope my right to speak on this motion won't be questioned.

First of all, I think we should ask ourselves the effect of unemployment to the welfare of our nation, and then we could ask ourselves how bad is this unemployment at this time? Is it bad enough to cause concern?

Unemployment is the greatest disgrace of our economic development. We hear a great deal about loss of production from strikes and sickness and absenteeism, but none of these remotely approach the loss through unemployment. It is estimated that in 1953 production loss through unemployment amounted to \$1,245,000,000, and it was even greater in 1954. But apart from the loss of production, we have to consider the demoralizing effect on our family life. It possibly breaks up more homes than any other cause. It causes more juvenile delinquents, and more mental distress is caused when the economic factors are taken away.

We have been assured from time to time by noted economists and politicians in higher places that never again will we in Canada reach the point that we did in the 1930's. But, Mr. Speaker, I think we have great cause for alarm when we read the figures today — and I read them last night, as released in the press. The Government's estimate of unemployed is 379,000. At the same time the Labour Department estimated the number at 613,000 as registered for work, an increase of 48,857 from January 20th and an increase of 54,000 over February of 1954. I think this is great cause for alarm, and I would just like to show how we are following the pattern of the depression of the 1930's. In 1930 we had 13 per cent of our people unemployed. In 1932 that reached 26 per cent; in 1934, 21 per cent; 1936, 17 per cent; 1938, 15 per cent, and of course, by 1940 we were going down to 7 per cent and we had begun to get into war production. Actually, during the war it was at the very low point of one per cent. But, even in the post-war boom, it was at 4 per cent in 1946, rose to 6 per cent in 1948 and by 1950 it had gone up to 9 per cent. Then, as you will remember, along came the Korean war and it slid back to 7 per cent; but by 1954 we were up to 11 per cent, and I cannot exactly tell you what the latest percentage is, but I am quite sure we are almost approaching the point we did

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in 1930, of 13 per cent unemployment. I smile to myself when I see the two young leaders of the two old parties on the other side of the House “shadow-boxing” in the inimitable style of old Whig and Tory leaders of the past: “If you only get behind it with a Liberal philosophy we know how to cure unemployment,” and so, too, with the Progressive-Conservative party.

We must not forget that it was a Liberal government that took us into the depression, for in 1929 when they were thrown out of office, our elevators were full of grain, our logging camps were stockpiled and our warehouses were bulging to the breaking point. Then, if you will remember, along came the Conservative government and Premier Bennett who declared he would blast his way into the world’s market, and he had not been in power too long before he threw up his hands in despair and said it will only be through the Grace of God that we should get out of this economic depression and cure unemployment. Back came the Liberal party again in 1935, and I think it was even worse, because then a person who was looking for work was very much on a par with a criminal. He was hounded from coast to coast. He was turned into gaol; was forced to ride the boxcars from one end of this Dominion to another. Many Canadians (I am sure almost every Canadian) looked for some hope when His Excellency the Governor-General read the message from Her Majesty’s government in January; all Canadians looked for some hope that something might be done towards this ever-rising unemployment situation. But not a word, Mr. Speaker; not a word did we find in that Throne Speech, only that the national economy was in a very healthy state and that unemployment was “regional and seasonal.” That must have been very consoling, no doubt, to those hundreds of thousands of people who were out on the streets looking for jobs, and to those who were heads of the homes, perhaps with children of university age, to whom they had ambition of giving a better education. No word was in that Throne Speech about the drop in farm income from the loss of agricultural markets; nothing in there to suggest that they had any solution to halt the rise in unemployment.

I was interested in a little statement in the “Monetary Times” in the February issue on page 8:

“A Record for Dividends (it says):

“Dividend payments by Canadian companies in 1954 hit an all high of \$570,280,000, or a 6 per cent increase over 1953 figures, according to a report of J.R. Timmins & Co. This compares to \$540 million in 1952, the previous record. All groups of companies covered, except mines, reached new record payments. The International Nickel holds the distinction of paying the highest total amongst Canadian companies by disbursing \$44 million to shareholders.”

My only reason for reading that is that when I think of one small section of our society getting more and more of the national income and then I see, on the other hand, those who produce gaining in numbers under the unemployment ranks, I feel satisfied in my own mind that I am dead right when I subscribe to the democratic-socialistic philosophy. Now there are two reasons why those dividends have increased. That is, of course, the policy of the present government in the lack of controls and restrictions to allow our industries to produce the goods as stipulated. Industry, of course, charged every cent that the traffic could bear and are still doing it.

There is also another reason and that is the technological improvements in industry today. I believe they have a new term for that today; I believe they call it "Automation". I am reminded of a little incident that happened not too many months ago, when the executives of a large automobile industry were conducting a tour for Walter Reuther — I am sure you all know who Walter Reuther is, Mr. Speaker; he is President of the Automobile Workers and President of the C.I.O. of America. They were conducting a tour for Walter Reuther and his associates over the plant, and they were particularly directing their attention to one of the newest machines and pointing out just how many workers that machine would displace. And the executive turned to Walter Reuther and he said, "Now, what do you think of that? Now what is going to become of your Unions?" And Walter Reuther turned right back and said, "What is going to become of your commodities? Who is going to buy your automobiles?" I think we have got to realize that the more people we put out of employment, the less purchasing power we will have, and sooner or later more and more workers will join those on the ranks of the unemployed.

It appears quite obvious, Mr. Speaker, that our Liberal Government at Ottawa are quite satisfied that their responsibility as far as unemployment is concerned ends with the Unemployment Insurance Act. I am sure that nobody will suggest for one minute that unemployment insurance is a means of curing unemployment. It was only intended to supply some economic means to a worker going from one job to another, and it is a far cry from what we should expect from a government at this critical time. Let us just for a few minutes study the Unemployment Insurance Act. There are a lot of shortcomings in it. In the first instance there are only an estimated 80 per cent of the workers who are covered by the Act. I know myself what five days' loss in wages means to the chap that is working; it takes considerable time to make that up; but if you are fortunate, of course, you will get \$24 a week maximum benefits. You must earn at least \$48 per week in order to enjoy those maximum benefits. Not all workers, of course, get the maximum. There are brackets from \$7.80 per week to \$24 per week unemployment insurance, and I imagine there are quite a number of people between those two, the minimum and maximum. And I would ask you, Mr. Speaker, just how far \$24 a week would go to a large family! But that isn't the most glaring shortcoming of the Unemployment Insurance Act. I mentioned just a little while ago that only 80 per cent are covered and that we still have 20 per cent who are not covered. These are the people who are causing great concern to our municipalities, and the Federation of Mayors has been making protests to our Dominion Government. They are having to take care of the able-bodied employable persons who are not covered by unemployment insurance. Was it fair to put that further burden on the land? Why shouldn't it be carried by all the people of Canada?

It causes great concern to our Labour Congress and those have spoken, and the Government has received many protests from the National Council of Welfare Agencies who have done a remarkable job with those who are unable, for various reasons, to take care of themselves. Now those agencies are having a further burden placed upon them, by not only these people who are not covered by the Act, but also some that are covered by the Act who have large families and find that they cannot possibly exist on the meagre benefits of the Act. I believe there are indications in some parts of Canada where the head of the house has deliberately deserted his loved ones because he felt that under social welfare they could be better treated than he could do under unemployment.

Now, Mr. Speaker, I said that unemployment insurance was not a cure for unemployment, and I would like to go to the green book of 1945 and read the Government's statement on unemployment and income on page 42. It says:

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“The Dominion Government in its statement on employment and income announced that the maintenance of a high level of employment and income was a ‘primary object of policy’. The people of Canada and the provincial and municipal governments are thus assured of an active Dominion policy to avoid and combat unemployment, but there is no underlying guarantee of payment of unemployment assistance by the Dominion Government if in fact unemployment should develop as a result of a possible world depression, or as a result of unavoidable dislocations beyond the immediate control of federal authority.

“As a part of the general arrangement with the provincial governments, the Dominion Government now proposes to establish a practicable and comprehensive system of assistance to able-bodied unemployed persons as soon as possible . . . “

I thought I ought to draw that to your attention, Mr. Speaker —

“. . . rather than waiting until the need for it actually arises. It is thought necessary not to permit the recurrence of the problems of administration being separated from financial responsibility, and to avoid the makeshift arrangements and controversy with provincial governments which otherwise would be almost certain to recur under the old methods of providing relief even though the number of persons involved were small. The Dominion is therefore accompanying its proposal for general acceptance of responsibility with a concrete plan for its implementation in the field of assistance for employable unemployed persons.”

That is a statement from the green book of 1945. There are those in some quarters who think that a province such as ours could single-handed combat an economic recession. I want to point out that the Provincial Government had the largest capital budget, last year, that it has ever had for construction of highways, power lines, gas pipelines, telephone installations and public buildings. But a study of capital investments reveals the amazing fact that out of every dollar spent on capital projects, only 25 per cent finds its way into the pockets of Saskatchewan residents; the other 75 cents goes out of the province to buy machinery and materials. Therefore, when we spend \$40 million on public works, \$10 million of that \$40 million goes to our Saskatchewan people and the other \$30 million finds its way outside of the province for employment elsewhere.

I think, Mr. Speaker, that I have shown that it is so necessary for the Federal Government, with its fiscal powers, to come into this picture. It is able, by its powers of taxation, to pick this money up from other parts and spread it back again to where it will do the most good for all the people. I think that unemployment is far too important to be left on a piecemeal basis for the provincial governments and municipalities. I think if we are to attain the status of a nation (and I think we can), we ought to be able to, and I think we could, develop our resources and maintain a far larger population many times the population that we have today. I expect, and I will be disappointed, if the ‘Leader-Post’ doesn’t take this statement and make a story to say that it

is time the C.C.F. get together and decided what to do on immigration. I appreciate the feeling of people who oppose a generous immigration policy.

When we think that we have a government today that cannot properly maintain a mere handful of people — and that is about what we are, Mr. Speaker, a mere handful of people. I think we were all proud of our nation during the war, and what we produced here with the cream of our able-bodied workers in our armed forces. We were proud also of our nation during the post-war years, and the position it held in world's trade. And I say it is a disgrace, an absolute disgrace, that a government at Ottawa has allowed this position to deteriorate to the point that today we have some 600,000 people looking for work.

I say it would seem to me that we should get on with a Dominion-Provincial Conference as soon as possible, and it would seem to me to be the most sensible thing for the Dominion and provinces to decide which are the first things to do first. Personally, I think the first thing to do would be to put our agricultural industry on a much sounder basis than it has been in the past.

There are some (and I am sorry to say there are a few on this side of the House) who feel that labour, because it has gained a lot of benefits in the last few years, was responsible for taking workers away from the farms, and we have got to clip the wings of labour because we want to get people to go back on the land. I cannot subscribe to that kind of reasoning. I don't think lowering the standard of the industrial workers will entice more people back on the land. The only way we will get people to stay on the land or go back on the land, is when we give them a good standard of living, and above all, give them some degree of security.

I think the second step we should take is to make a careful study and an intelligent approach to our natural resources. A housing programme has been mentioned, and, I think, a public investment programme. The Federal Government are able to get money from the Bank of Canada and loan it at low interest rates for the building of highways, hospitals and schools, parks and so on. I think, too, Mr. Speaker, that we should have an effective national housing plan in Canada.

I want to say a little about this because, not too many weeks ago in Saskatoon, we had a tragedy where three children out of eight in one family, three little children who with their mother and father were trapped in the basement of an unfinished home. Three of those children were burnt. The father was doing his best, I guess, to get the house finished, but due to economic reasons he was unable to do so, and I was interested in the statement made by the Mayor to the City Council of the number in Saskatoon who were in danger of fire accidents. I cannot help thinking back to a few years ago when the Minister of Social Welfare (Hon. Mr. Sturdy) tried to interest the citizens of Saskatoon in a low-rental housing plan under the Dominion housing plan. A few prominent citizens, rugged individualists, were allowed to defeat that proposal at that time. I have no objection to them opposing it, but I do think that by opposing it and defeating it, knowing the situation that existed, they should have had some other solution to put up. I cannot help thinking that in some way they were instrumental in the death of these children, and in putting other people in the position they are in today.

Not only in Saskatoon, Mr. Speaker. You can go to any centre in Canada; and I am quite sure that within walking distance of these buildings I

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could find slum conditions, fire-hazard conditions, overcrowding, too many people having the use of one bathroom and so on. I am quite sure that I could do that. It seems to me absurd that, in a nation of this kind, where we have everything for the building of homes, our families at least could not have a reasonably modern home. I think the building of homes should be taken out of the speculative market.

I suggest to you, Mr. Speaker, what a half a million more homes would mean, when you consider the plumbing fixtures, the electric light fixtures, the other kind of fixtures which go into the making of a home, the stoves, refrigerators, washing machines and other household utensils needed to make a home complete. I think we need men today of vision, men like we had in the past who build the trans-Canada roads across this country. I am sure people must have thought they were dreamers in those days. But, we are lacking in our political and economic thinking in this age of technology, and it is time we woke up. There is some ray of hope, however, coming from the Prime Minister of Canada, in his speech, last fall, and although it has been read two or three times during this Session, I don't think it can be read too many times. So I would like to quote from his speech to the reform Club in Quebec City on September 18, 1954, when he said:

“We have a country where there should be work for everyone and if we are not smart enough to organize the economy of the nation and provide work for everyone, we are incompetent. I cannot give details, but I am convinced that if my colleagues and I cannot organize economic control in such a way that there will not be any long periods of loss of work for those who want to work, than throw us out and put in our place people who can do better.”

I think the Prime Minister of Canada has the respect of almost all Canadians in the country. I think his integrity is unquestioned. But I hope, Mr. Speaker, that he is not merely giving lip-service to a rapidly growing condition affecting the welfare of a large section of our population. I am convinced that a conference will fail if no better deal is obtained for agriculture. I think also a Dominion conference will fail if it does not come forth with some definite policy to curb unemployment. I am convinced that, if we want to, and if we try hard enough, we can accomplish these things. So I take great pleasure in supporting the motion.

Mr. W.J. Berezowsky (Cumberland): — Mr. Speaker, I heartily agree with the sentiments of the previous speakers that have been given in this House, and I would like to support this motion, particularly as it may affect the people of that part of the province who may not have been mentioned so far, and also some of the situations of that part of the province which may not have been brought to the attention of the Legislature.

I recognize that unemployment, falling prices, the whole standard of living are very serious things. I recognize, also, that to the Federal authorities as well as to the Provincial authorities, it is a big job to try to solve; and I think it is the duty of the representatives of our Parliaments and of our Legislatures to get up, when aware of a serious situation and to try to do something about it. In the case of this Legislature, I think it is our responsibility to bring to the attention of the senior government the situation as we see it.

I noticed, recently, an announcement by the St. Laurent government that the Federal Government is beginning to recognize the distress that apparently exists in this country. There has been a lot of talk about amending the Unemployment Insurance Act, and a lot of talk about a lot of other things. Particularly, I would like to point out that for a number of years, according to information that has been given, there have been a number of projects put away in pigeon-holes which we were advised, many years ago, would be pulled out and used to alleviate any distressing conditions which may exist in the country, and I think that was a good idea. However, I do think that the only difficulty, today, is that we have a government in Ottawa that is timid, parsimonious and is, of course, playing into the hands of private interests. It apparently seems that the Dominion Government, instead of taking the problem into its own hands and assuming the responsibility of alleviating the critical situation in the country, always turns around and says, "Well, we will leave it to private enterprise; private enterprise will find a way."

Well, Mr. Speaker, even private enterprise is beginning to get fed up with this kind of statements, and I would like to read to you a quotation from the 'Northern Miner' — and editorial, on page four of the issue of December 30, 1954. Here is what private enterprise, the 'big shots' in Canada, are beginning to think about the Federal Government and its activities. They say here, in part of the editorial:

"We hear it emphasized that the bulk of capital investment in Canada remains Canadian in ownership. That stuff leaves us cold. Our rich friends in other lands are picking off the juicy fruit, the very smartest industrial operations, most of the oilfields, many of the rich mining centres — the humdrum things, the equities that provide people with jobs but don't make for great wealth are too often left for the humdrum citizens of this still too-timid land.

"The ironical part of it is that if it were not for the influx of foreign money the Canadian dollar would be registering a big imbalance on international trade; it would be down to around 90, and stimulating a great boom throughout all domestic ranks. It is hard to say what could be done about a situation that has so many unhappy aspects. Mr. St. Laurent can sigh and say that billions flow in here, primarily because of the solid virtues of the people and the kind of government they get. We would not advocate a spell of poor government just to knock the dollar down to 90, but maybe the Prime Minister can dream up something over the New Year holiday. It is needed."

I am just trying to point out that private business is beginning to get worried about the economic situation in Canada, and that they feel that probably the Federal Government should change its policies in some respects.

I cannot help but think of the north and of the 'green book', and, of course also as the Dominion Government viewed the situation a few years ago insofar as development of the north is concerned, because it all ties in to employment and national welfare, high standards of living and so forth. I would like to quote from February 12, 1947, as printed in Hansard and stated by the Rt. Hon. W.L. Mackenzie King at that time, when he was talking about northern defence and northern development. Here is what he said:

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“The Dominion Government assisted the provinces with grants in aid, or conditional grants, under special agreements negotiated between the Governments for the construction of mining roads and tourist highways.”

Those are not things they did in Saskatchewan on a large scale, but they did do them in other provinces. In some cases, in connection with mining roads, the Dominion bore two-thirds of the cost and the province one-third, while during the war, in some cases the costs were allocated among the Dominion, Provinces and industry. I would like members to note this. During the depression the provinces were unable to maintain tourist highways and, as a means of relieving unemployment, the Dominion came to their assistance with grants on a fifty-fifty basis up to a stated maximum for the Dominion share, where it had to be in accordance to the standards set by the Dominion Government, aiming at a high-quality construction and the greatest possible benefit to the development of tourist trade.

I quoted that because I think, today, although maybe we are not going through such a depression (and I hope we never will) as we went through in the ‘thirties, yet we are in a recession. I mentioned, I think, last year, that in my part of the country we were in a recession. As usual some of the hon. members opposite, at that time said the farmers were very well off, everybody was well off, they were driving around in Cadillac cars. It was not so in the north, and I was worried at that time and I am worried now, and I am pointing out that something can be done about it. I think a Dominion-Provincial conference can arrive at certain decisions and something can be done about it, and that is one of the reasons why I have quoted the precedent. Things have been done; maybe not too much has been done in Saskatchewan, but I have knowledge that much has been done in other provinces.

As one of the provinces in the Dominion, I think it is time, and I think it is right, that we ask for our fair share of the national wealth and in a period such as this, that we receive the money necessary to go ahead with the projects that we have in mind. Of course, the Opposition has a tendency of saying that we are always asking the Dominion — in other words, they would like to indicate that maybe we are not doing enough; but surely there is no one here, or anywhere in the province of Saskatchewan who will not agree that this Government, whether it is through the Department of Highways, has done a better job than has ever been done in this province. No one will disagree that in this Government, in the Department of Natural Resources we must consider the conservation programmes, the inventories that were taken, and all the work that has been done by that Department, the kind of programmes that were never done under the Liberals. And I would say, also, that we are doing as much as we possibly can, according to the tax revenues that we obtain. Therefore the onus is on the Federal authorities, if they consider this country as one nation and a nation in need.

The hon. member from Saskatoon (Mr. Stone) just a while back mentioned something about immigration, something about people. I think that the members are quite right in being concerned about bringing in immigrants in a time like this, particularly when you see what is happening to the people who are native to this country. I would like to point out a situation concerning people at Cold Lake. This is from the ‘Leader-Post’ of March 18, and the heading is “Missile tests dislodge Indians”:

“Test-firings of guided missiles have forced some 2,000 Indians from a 4,600 square mile hunting grounds in northern Alberta and Saskatchewan.”

They have been dislodged, Mr. Speaker:

“Citizenship Minister Pickersgill said Thursday his Department is faced with a tremendous problem in finding new trapping areas where the dispossessed Indians can find a similar livelihood.”

He goes on and tells about the problems of reestablishment of these natives. The point I want to make at this time is that when we are criticized by the Opposition for being concerned about current immigration policies, it is not that we do not want more immigrants — and I would like to have something to say about that — we do want more; but we do not want them brought into this country when there are 2,000 people in one locality alone out of jobs, displaced from their trapping grounds. This happened in 1952, in the constituency, I think, of Meadow Lake (part of it, anyway) and the hon. member has never mentioned it. But in 1952 (and this is 1955, three years later), those people were dislocated and to date there has been no provision found for them and the Hon. Mr. Pickersgill goes on to say he has “discussed the question of compensation with Defence Minister Campney, but no solution has been found.” They have had three years to do it. That is the kind of thing that we are worried about.

I take this attitude, and I think that all of us on this side of the House take this attitude, particularly when we support this resolution or similar resolutions — it is a philosophy. I think it is probably the same as was stated by the Roosevelt administration when they were discussing some kind of programme. I think it was called “The Bold New Programme”; and they said this:

“The only war we seek is a good fight against man’s ancient enemies — poverty, disease, hunger and illiteracy.”

That is the fight that we are putting up today and we are putting up every day. And as Truman also said:

“Only by helping the least fortunate of its members to help themselves can the human family achieve the decent, satisfying life that is the right of all the people.”

That is the whole story in a nutshell; that is what we are trying to do. That is why we are in the government — to try to legislate for human security so people won’t go hungry, to try to provide the people with education so that they will be able to understand how to live; to try to provide people with a certain amount of health security so that they won’t be sickly, but be able to thrive as decent citizens are entitled. And we can do something about it. As I said, this province is limited in scope, but the Federal authorities can; they have the means, they have the powers of taxation which we haven’t got; they have the power to control currency, which the province hasn’t; they can get loans at low rates of interest, if they have to, to perform under the system that they do. Certainly, they can provide a public works programme when such is imperative.

Now, Mr. Speaker, you may say what are some of the programmes that we have in mind? I am quite prepared to suggest to this House that there

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are many excellent programmes. In the Department of Natural Resources — a few years ago, and I commend the Federal authorities for assisting, we started out on what we call a conservation programme. Ottawa assisted the Department to go ahead and build dams and open up streams here and there in order to make conditions better for wild life, and, of course, out of that, a better catch of fur and better living for the people in those areas. That programme has probably run out; but it can be continued and it can be expanded. Instead of spending, say, \$50,000, they could easily spend \$200,000 in the north and give employment if to nobody else, to such as the 2,000 people mentioned in the press here, and in this way alleviate national distress and hardships.

We can continue our forest inventories. We can encourage, and the Dominion should encourage, private enterprise to get into those areas and utilize those resources, because the markets are available. We can go ahead and ask the Federal authorities to come into a programme with us. We don't want them to put up all the money. The Minister of Natural Resources has indicated previously that this Government is willing to provide a certain amount of money to build northern development roads. There again you would have work, and there are many areas throughout the north of Saskatchewan, and, of course, in other provinces, and in the North-West Territories, where those roads are urgently needed. I can visualize at the moment a road going on, say, from La Ronge right on to Lynn Lake, an area which is rich with ore. I have been through it and I have seen much of the mineralized area there. I know there are going to be mines in that region, and geologists have told me there are going to be mines there. The mineral is there; but there are no roads, there is no railway, where this wealth lies. You could have another road along the west side of the province.

I am only mentioning these things to show that there are public works which could be planned and commenced to provide work for people. After they are built, of course, then again the Government's concern would have to be about providing more work — that is the system and I cannot help that; but at the moment, there are all kinds of opportunities. Across the province, from Flin Flon to the west towards this guided missile range, the Federal authorities, I understand, have a winter road, a defence road there. Why not make it a permanent road that can be used in summer and winter? There again, it would open up all kinds of natural resources in that area, and I am sure that, if it was to the benefit of the province of Saskatchewan, probably this Government would enter into some kind of an agreement. The mining companies too, would enter into an agreement to their advantage.

There are so many things that can be done throughout the north to provide people with work, to give them an opportunity to make a living. Surely the authorities concerned in Ottawa know this. But it is just a case of sitting back and doing nothing and waiting, as I said at the beginning, for somebody else to do it.

I would just like to mention one more thing about the people. I was interested in the hon. member for Elrose (Mr. Willis) speaking to this resolution, when he mentioned education. There are, in the northern administration district, about 10,000 people. They have had some opportunities for education. When the hon. members opposite say that it is the responsibility of the province, I do not want them to forget that, even if they so argue, there is a segment of our society that is still in a form of slavery and is still the responsibility of the Federal authorities; and I will say that the Federal authorities are not accepting their full responsibility for those people, and it has been up to this Government to go in there and do something about it. The hon.

member said very clearly that some responsibility for education in this province and the rest of Canada lies with the authorities of the Federal Government, because after all, no matter what the British North America Act says, no matter what the 'green book' says on the responsibilities of the province and the Dominion, the fact remains that you, I, and every man, woman and child in this country is a citizen of Canada and is entitled to the educational opportunities that this country can provide.

Now, Mr. Speaker, I did not intend to rise and speak to this motion, but I thought that maybe I could make a little contribution and I hope I haven't taken too much of somebody else's time. I have already indicated, I think, that I will support the motion.

Mr. A.H. McDonald (Leader of the Opposition): — Mr. Speaker, I had intended to speak on this motion, this afternoon, but there have been so many speakers and so many varying subjects covered, that I think probably I should beg leave to adjourn the debate and speak on it at a later date.

(Debate adjourned)

BOARD OF LIVESTOCK COMMISSIONERS

Moved by Mr. Kramer, seconded by Mr. Zipchen:

“That this Assembly through the appropriate channels request the Federal Government to immediately establish a Board of Livestock Commissioners as a regulatory agency for the livestock industry similar in function to the Board of Grain Commissioners.”

Mr. E. Kramer (The Battlefords): — Mr. Speaker, in rising to speak on this motion regarding the setting up of a Board of Livestock Commissioners by the Federal Government, I would like to review the situation as it exists, today. There are a good many people who are in a terrific turmoil about this controversy that is going on right now about livestock marketing, and I think that is an indication that proper leadership again has not been given by those who are in a position to do something effective about livestock marketing in Canada. Both here in this House, and federally, our members have continually risen in their places and pointed out some of the difficulties that present themselves because of the lack of proper organization in the livestock marketing field.

Now to get right back here at home, there are a good many things wrong right on the home front that we, as individuals and the Saskatchewan farmers, themselves, can do something about. We recognize that. I don't think that a Board of Livestock Commissioners, or a Livestock Marketing Board is going to be the panacea that is going to cure everything. There are still a good many farmers and stockmen who refuse to take advantage of the resources that they have on hand to make the most out of every head of livestock they market. It is not so prevalent, this year, because the resources of feed grains on the farms, especially in that vast area that was devastated by rust, are not as plentiful as they were a year ago. Whenever we see the ridiculous situation where farmers are putting half-finished cattle on the market, and at the same time, keeping grain at home in their bin that they cannot sell and complaining about not being able to market their grain, taking a loss of from anywhere from

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five to seven cents on that stock, and especially when marketing them during the rush periods in the fall, when, by putting that grain into that animal, they could market the grain at a good profit, and also, in the final analysis, market that animal to good advantage, we recognize that this situation does exist and we recognize that farmers themselves still have a lot of things to do for themselves. We recognize that they probably could do quite a bit in watching the market, and by breeding better livestock, instead of using old 'Betsy's Bull Calf' as a cow freshener, by bringing in better livestock and producing and promoting better livestock.

There is a marvellous job being done by the Department of Agriculture in promoting better breeding practice. We still have a tremendous job to do through our 4-H clubs and our ag-reps to teach people how to take care of their own economic situation at home. We recognize that; but what about this fellow who has done everything right? — and there are hundreds and hundreds of farmers who do things right. We have a lot of good stockmen up in our territory, and I am sure that these good stockmen exist all over the province of Saskatchewan. These particular farmers, I would say, would average possibly 30 head of cattle to a farm, and they probably market from 10 to 20 head of cattle each year, or thereabout. We will take an average of 10 head of good cattle, and we will presume that this man has done everything right, that he has a fairly well-bred bunch of cattle, and he has fed them, finished them and fitted them to the point where they are ready for market and will butcher and hang up as branded meat.

This particular gentleman can go in on Monday of a certain week, and he can top the market probably at around 18 cents, which is a pretty good price, as prices go, for steers. Well, he has had a good successful operation, he pockets his cheque and goes home happy. Next week his neighbour, who has done everything along the same line and has done everything right as well, goes in and markets an equally good truckload of steers and takes three cents a pound less. That man, taking an average of a 1,000 lb. steer, has lost \$300 on his feeding operation throughout that winter season, and that is the man, I think, we should be concerned about. That could present quite a different picture in the small farmer's income. It would provide his taxes for one year. If he happened to have power it would probably provide a new refrigerator for his wife. He could use that \$300 for a good many things, especially in a year when his wheat crop has been nil, or when the return from his wheat crop has been nil.

So I submit we have a problem about which we must do something, and something must be done about it on a national basis. We have a body that is doing a reasonably good job, and has for some years, in the marketing of grain, and that is our Board of Grain Commissioners. Their job and their function is to regulate, police and more or less set a standard throughout the entire industry. I recognize that there will be a lot of difficulty in setting up comparative standards in grading beef. It is a perishable product, and we definitely are going to have more difficulty in arriving at the same point with a Board of Livestock Commissioners that we have in the grain trade; but simply because the problem is difficult is no reason why we should throw up our hands and say that it cannot be done. I think that we western stock growers have a right to expect the same kind of leadership and the same kind of treatment from the Federal Government as the grain farmers. There is no reason why we should be left out in the cold when they are performing a service for the grain grower, and they certainly have not performed it, so far effectively, for the stock grower.

I think there is another thing we should look at in our cattle business, that a Board of Livestock Commissioners could do something about and should have the authority to do something about, and that is the manipulation of prices from day to day, that same manipulation that I mentioned earlier, by the packers. I think I have said this before, and it has been mentioned by other speakers in previous resolutions in this House, that more than two-thirds of our cattle on the hoof are bought by the 'Big Three' in the packing industry, Burns, Swifts and Canada Packers. These people will tell you (quite seriously, too), that their profits are very, very small. They will say "Why, it is less than one cent a pound on our entire turnover." But I am going to tell you, Mr. Speaker, that the income tax people won't accept that theory, and they do not accept the figures that they base that analysis on. I have here an analysis, and it is from the Financial Post Corporation Service, and I don't think anyone is going to argue too much about that, or say that that is propaganda. They give an analysis of their profits over a 10-year period, and that profit was 27.5 per cent on their invested dollar, and over and above that they have set aside another \$600 million — \$6 million for special reserves. It says — and I will read this particular paragraph:

"In addition to the recorded profit as noted above, there is another item of \$6,000,000, accumulated mainly during the war and post-war period in the form of excessively large inventory reserves. The annual report of Canada Packers, 1954, refers to this item and states that on all these reserves full taxes have been paid."

Well that, Mr. Speaker, indicates that that, too, was a profit that was not considered in the 27.5 average that I mentioned earlier.

Mr. Gibson (Morse): — Poor old packers — going broke!

Mr. Kramer: — This is another way of saying that these reserves were regarded by the income tax authorities as profits, and taxed accordingly. The report itself concedes that they could properly be called profits; however, the more conservative policy has been followed in carrying them forward as reserves.

Mr. Ripley (Athabasca): — May I ask the hon. member how he arrived at the figure \$600 million.

Mr. Speaker: — He corrected it to \$6 million.

Mr. Kramer: — I said \$6 million. I started to say \$600,000, Mr. Speaker, and I corrected myself and said \$6,000,000.

There is an interesting feature here. I sat in as representative from the Saskatchewan Farmers' Union after the outbreak of foot-and-mouth disease, when there was an emergency meeting held by the Livestock Association here in Regina. They were trying to arrive at some solution to the problem of the tremendous drop that the farmers were going to have to face in the returns from their livestock. We had a very extensive report from Dr. Wells, at that time, as to the methods and the progress they were making in handling foot-and-mouth disease, which was well accepted.

Then there was a resolution discussed at that time, asking the Federal Government to establish a floor price on livestock, so that the farmers would not face the situation of having the prices drop completely into the

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cellar. I was quite surprised at that time, and as usual, when anything is going to be discussed that is going to benefit the producer, a gentleman well known in western circles these days, Mr. Baker from the council of packers, popped up out of nowhere, and said it was a terrible thing to do to put a floor price on livestock. "Let matters take their course and they will right themselves," he said. "We as packers are prepared to take a terrific beating here too. There is no doubt that the farmer will take a beating, but we are prepared to take it along with you, and we just have to face these things; it is a catastrophe that we just have to face."

I got up at that meeting and said that I felt very sorry for Mr. Baker and his packer friends he was working for, but my bet was then that if they took a loss on this foot-and-mouth disease it would be a surprise to me; and I was willing to take a bet right then and there with anybody who chose to make it that their profits would go up during the following year, rather than they take a loss. I did not get any takers, but this little chart shows the profits throughout a ten-year period. In the fiscal year prior to the foot-and-mouth disease the profits of Canada Packers were 15 per cent on their investment; the following year, 32.5 per cent. Yes, they took the beating right along with the farmer. They took it by more than doubling their profits! And that profit, Mr. Speaker, was five per cent higher than the 10-year average I quoted here — the 27.5 per cent.

Don't let anyone run off with the idea that these people are a lot of gilded saints operating in conjunction and in co-operation with the farmers, for their benefit as well as their own. They have only one motive — the same motive as they always have had: to get as much as they possibly can out of the producer, to manipulate those markets where and whenever they can, in order to get the most for their shareholders. So far the Dominion Government has done nothing to look into the charges Mr. Stephens made as far back as 1936, when he accused the packers of combining to manipulate prices, and accused them of price-fixing at that time. They have done nothing to investigate, to control, these people. They have allowed them to go blithely on and discriminate against the livestock producer. I say that it is high time some body was set up on a national basis, and it is high time that the Federal Government gave us some leadership and provided us with the necessary machinery so that we could regulate our livestock markets similar to the protection they have given the grain growers.

Some Hon. Members: — Hear, hear!

Mr. Kramer: — Mr. Speaker, there are many things that could be said about the livestock marketing industry. I do not propose to set myself up as an authority on marketing, though I have been interested in the growing and selling of livestock all my life. I think, and I want to repeat, that we should be concerned with a situation that has been perennial. We always have a situation where farmers (and maybe it is their own fault) get panicky, and the packers know exactly when they are coming. Just as soon as the grass starts to get short and the snowballs start to form, in come the cattle, and down go the prices. In the spring when the sun starts to shine and the farmer cannot continue with his feeding, regardless of the price and usually the same downhill slide, and they are in there again to reap the benefits of the farmer's labour.

The consumer, on the other hand, never gets an opportunity to take advantage of this situation. You can sell beef anywhere, good beef, too,

from eight to 21 cents throughout the year. That has been the spread in price on pretty good beef that would hang up and brand, and this has been true in recent years, too, that ridiculous spread. But when Mrs. Housewife comes in to buy herself a steak or a roast, the price is invariably the same, except for the odd scattered little battle that goes on between some of the chain stores occasionally. Do you ever hear of any fight going on, for instance between the machine companies or the automobile companies? They have a price tag on their automobile, on their combine, on their binder and on their tractor or car when it leaves the factory, and the man buys that article from the factories at the price tag and for the price that they ask for it, or he does without. Who are these people who suggest that we, as farmers, haven't got a right to put a price tag and a grade of quality on our own products, and why in the world should we not be able to do that? How much longer, Mr. Speaker, are we going to be scared by bogeys that say: "You are going to lose your freedom . . ." "If you get into anything like this it will be terrible . . ." "We shouldn't interfere with that . . ." "This is the law of supply and demand and that is untouchable; we mustn't touch that."

Just as long as we continue to be disorganized, to be scared out by a few glib talkers who raise the age-old bogey of losing your freedom, we are going to be in this same state where we are faced with losses. Some of us, if we are lucky, can make a dollar and others are going to lose and that is the thing that we, as legislators, should be concerned about. This becomes apparent when other sources of income have been cut off and the farmer's tax dollar isn't coming in. We know it as a Government, whether it is a municipal, a provincial or a federal government. Again, coming back to that point, if it is the duty of governments to be concerned about these taxpayers, then again I believe the Federal Government, being the largest tax collector, ought to be the most concerned.

Speaking of livestock, this province has been an amazingly good milk cow, Mr. Speaker. It produced \$200 million worth of taxes to the Federal treasury in the tax year of 1953, in total taxes accruing from the province of Saskatchewan to the Dominion Government. The farmers' share, in Saskatchewan, of income tax was almost half of the farm income tax of Canada. Well, any stockmen, and I think there are a few here, know that if you have a cow that is a pretty good producer you had better see that she is properly fed and watered and tended to, if you want her to keep on producing. I think it would be mighty good policy for those people at Ottawa to see that this milk cow here in Saskatchewan that produces such a terrific amount of revenue, and especially so to the Federal treasury; that they should see to it that they do not completely destroy some of these tax-paying units; that they should do something about it before it is too late; that they should give that leadership in the field of the livestock producer that is so badly needed and has been so badly needed for so many years.

I do not want to belabour the point, Mr. Speaker. There will probably be a good deal more discussion on this. There are a good many more things that could be said and can be said on this. I have said all I intend to say, today, and I, therefore, move, seconded by Mr. Zipchen, the member for Redberry, the motion standing in my name.

Mr. D. Zipchen (Redberry): — Mr. Speaker, in rising to speak in support of this motion, I am quite concerned with this matter. It is a very important matter. If any one of us had a chance to look and see the

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prices of livestock, last week, Winnipeg prices, the prices jumped, I think, up to 27 cents a pound. I was just wondering why the prices are fluctuating so much. Not long ago I was coming to Regina and I sold some cattle, and had to sell them at 13 cents a pound. They were not quite finished, but I needed some money, and I had to sell them at that price, and I was just wondering why the prices should fluctuate on our product, which is a very essential product to the people not only of this province, but to the whole of Canada. It is a food product and, as the hon. member said just a while ago, why don't those automobiles, implements, etc., fluctuate on the market? Today, if I want to buy a car I should be able to buy it for \$1,000, tomorrow the car should maybe go down to \$500 — but we have to pay the price on the price tag. I would like to see that something is done in the near future.

As a further instance of these fluctuating prices, I had a chance to look into this matter for a number of years, and I have studied it. What is the matter with the set-up? I am quite concerned and think something should be done, because we farmers, especially young men — we spoke today on a resolution about unemployment. I will tell you why we have much unemployment. Many young men are discouraged. I asked my boy, "Would you like to farm?" He said, "Never, dad" and when I asked him why, he said: "There is no assurance for us young people in this country. Suppose I want to raise cattle, how can I know that I am going to get so much for my livestock? What I would have to do is put in plenty of hard work and then take chances."

It is a gambler's chance. Something should be done, similar to the Wheat Board. We should have a similar set-up, a similar system, to market our livestock as we have handling our grain through the Canadian Wheat Board. If the Canadian Wheat Board can pay us, for every pound and every bushel and every grade, what is coming to us, I think it could be done on a similar basis for livestock — for every pound of meat, for every grade of cattle, regardless of what colour those steers or those cows are. I know that some people have Holstein cattle, they were in the dairy business, and they are selling their cattle at the stockyard, and they are getting a very low price, but I would like to ask any one of us here in this House, on the opposite side or on this side, when we go to the butcher shop, do we get that cheaper meat from the Holstein cattle?

Premier Douglas: — A Holstein steak.

Mr. Zipchen: — Or a Holstein stead? No, we don't; we have to pay the price.

One thing I can say is that we never get the meat cheaper; we have to pay the price we are asked, and the price is not left with the butcher over the counter — the profit. The profit is left with the packer and with the processor. I am so interested in the livestock industry in this province that every time I go to the city for any reason, I am pulled to the stockyard, like tigers are pulled to the bush. I always go and watch those prices, and I see that when a farmer brings a poor head of cattle, the buyers won't bid, and there are buyers there from Swifts, Burns, Intercontinental, etc, and they know when they should bid for a better grade of cattle, but they won't bid one against each other, because they know they can get those cattle for next to nothing. Somebody may say "We are having wide open markets; the buyers are buying"; but what kind of buyers? Only Saskatchewan buyers; and you know what happens, Mr. Speaker, if we have buyers from the United States. You know we haven't very many of those buyers. You know what happened when we had foot-and-mouth disease here. Mr. Gardiner, our Agricultural Minister, told us to hold on to those

cattle; prices will come up; and what happened? I recall what I said in my speech in 1953, on a similar resolution: prices went down and the farmers took the beating.

I want to say that we do not want to take any more chances. I am a young farmer and many of us are discouraged, and many of our young boys are drifting to the cities, as long as we do not get stabilized prices. We must have parity. I am quite satisfied to sell cattle at the prices we have today, but I am not happy, and I am not satisfied as to why the consumer has to go and pay a high price. Where is the spread? The middle-man gets it and there are too many of those middle-men. I checked up on all those middle-men and I was rather disappointed. I saw the packing men and buyers running around the country, not buying with their own money but buying with the firm's money, buying cattle, bringing cattle to the stockyards, and they are making profit and the packinghouse is making profit, and the poor farmer who cares for that little calf two years and puts it on the market, is very disappointed when he gets his cheque. I would like to see that we wouldn't have to beg the Federal Government year after year to do something about it. I would like to see us on both sides of this House pass this resolution unanimously to show that we stand solidly behind it. I would like to see something done in the near future.

I do not want to take too much time, and I do not want to repeat what I have said, because I recall what I had to say last year. I said the Federal Government should establish a Board of Livestock Commissioners to assume the responsibility for orderly marketing of livestock products in much the same manner as the Board of Grain Commissioners markets wheat and other grains. I am quite satisfied; I am not opposed to the Canadian Wheat Board, and I would like to see our livestock marketed on the same basis. I do not like to see the prices fluctuate, because we all like our piece of steak (well done, maybe), and what price we have to pay. Does the price fluctuate? No, we pay the same price every day. If you see it on a menu it is \$1.75 or \$2.25 . . .

Mr. Danielson: — You should have it as a Crown Corporation.

Mr. Zipchen: — Well, I'll tell you, it is about time that something was done, because many of our young men are discouraged from staying on the farm, and if they do stay on the farm they turn to straight grain farming. The day may come when we may have a problem in selling our grain; we have had that already. If we had had a bumper crop, last year, such as we had in the past number of years, we would have had a bigger problem. I think livestock is a national commodity as well as wheat, and I think that we should do something about it. It is up to the Federal Government. If it is on a provincial basis I will not be satisfied or happy about it, but I would like to see something done about it as soon as possible. I will support the motion.

Mr. J.W. Horsman (Wilkie): — I could say, Mr. Speaker, that I am in agreement with most of the things that have been said on this motion. However, as I read the motion, it has nothing to do whatever with the marketing of livestock, as such. A Board of Livestock Commissioners would probably have some regulatory power of some kind, but I do not know exactly what their powers would be. It might have something to do with the grading of livestock, but whether they could regulate the sale or not is something that I am not familiar enough with.

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The fact of poorly finished cattle was mentioned by the first speaker, and that is one of the great problems that besets the livestock industry. The price of cattle on the market is a good steady price day after day, and the well-bred, well-finished cattle are almost sure of bringing a fair price. If you take today, and I am sure that if the member who spoke first took a bunch of his cattle to Saskatoon or any other market, today, well-finished cattle such as he grows, he would get a very good price for them. I do not know what his neighbours do there, but I know how it is in every district. One man, such as the man I mentioned, understands cattle and keeps good cattle, understands feeding and everything, and he gets a good price almost any time. His neighbour probably has a bunch of razor-backs, almost a disgrace to call them cattle at all; but when he sells he has an idea that a steer is a steer and that he should get as much for his as someone else does for their good animals, and that is one thing that has caused a lot of discontent in the cattle industry.

Another thing, regarding the fluctuation in price. One thing that has a lot to do with that is the large rush of grass cattle that go on to the market in the fall, and because steers, unfinished yearlings and the like that may sell for a low price on the market, most of those cattle do not go into the trade at all. Most of them go back into the feed lots on farms and on one place or another, and are fed out there, and come back on the market probably several months later and command a different price altogether. I am all in favour of anything that will help the livestock industry, as I have been a raiser of livestock most of my life.

Another very important thing in livestock is good grass, and the stock grower must be sure that he doesn't over-graze if he wants to raise good cattle. If you over-graze cattle and have them thin in the fall, then your young stock never gets the size they should get, and you will never get the quality.

We have, now, a livestock pool where we can ship our cattle through, on commission, and people who have used that pool for 30 years now are fairly well satisfied with the results they get; but if a livestock commission, or a Board of Livestock Commissioners will do any good (and I think they may), I am all in favour of seeing one appointed.

There is this difference in the price between what the producer gets and what the consumer pays over the counter. There are a good many angles to that question, too. It isn't only the price the producer gets related to the price the consumer pays; but suppose the cattle dropped five cents a pound on the market, today, and I have a butcher shop in Regina, that five cents a pound doesn't mean a great deal to the butcher in town, because his overhead remains the same. He has to pay the same overhead as when beef was higher, and I don't think that five cents a pound could ever be reflected in the price over the counter, although I often do believe, and I know that there is, no relation often between the two prices. But someone mentioned today, too, I believe, that he wondered how much of the real top quality beef you buy over the counter. Certainly we buy some of it because it goes some place; but I think we buy a good many roasts that do not come off the prime steers, and pay a pretty good price for them. I believe that.

However, to get all these things in line, to give everyone the price that he should have for the animal that he sells, according to the quality of that animal, is something that is going to be pretty hard to do. It is altogether different from marketing grain, where you have so many grades of wheat and so on. They are standard grades and they never change; but there

are so many different breeds and kinds of cattle that it is a very hard proposition to bring everything into line, and give everyone exactly what he should get.

Some mention was made of milk cows, and one of the speakers wondered whether the dairy men would be put out of the market altogether. There is one thing that affects the dairy farmer in this country and all over Canada very much, and that is the production of margarine as a substitute for a dairy product. I remember when the matter was first discussed in this House, Mr. Speaker, and the Bill was introduced, allowing the sale of margarine in this province. There was a gentleman sitting on that side of the House at that time, and I think he sat over in the corner, Mr. 'Jake' Benson, the member for Last Mountain. I remember him speaking on this subject, and he said that if anything like this was done to labour it would be called an unfair labour practice — he meant the introduction of a cheap substitute to be sold on the market in competition with butter. However, the Bill passed this House, and now if the dairy people are beginning to find themselves in difficulties and they cannot sell their butter and so on, they can trace a lot of the trouble right back to the sale of margarine. Everyone must realize that, Mr. Speaker. However, I have no intention of opposing this motion. I just wanted to make these few remarks.

Hon. I.C. Nollet (Minister of Agriculture): — Mr. Speaker, the hon. member for Wilkie (Mr. Horsman) mentioned that the suggestion contained in this resolution had nothing to do with the actual process of marketing livestock, that is in terms of obtaining the price for livestock, but was intended to be a regulatory agency similar in principle to the Board of Grain Commissioners. That is, a Board of Livestock Commissioners would complement any scheme for livestock marketing, similar to the functions of the Board of Grain Commissioners.

A good deal of discussion has centred around price, and it is quite correct to say that a Board of Livestock Commissioners would not have jurisdiction over the matter of price; but it is closely associated to marketing in that any marketing scheme, to be successful, ought to be complemented by a Board of Livestock Commissioners that would properly grade livestock and also carry that grade right to the consumer, and, in addition to that, set the amount that the packers could obtain for the processing of the livestock and also the amount the wholesaler and the retailer could take. Without this type of regulation the consumer would legitimately feel that he had not sufficient protection (just as he hasn't at the moment), and any price that was set, in the interests of the producer, might be considered a penalty against the consumer, because the grade and price relationship was not maintained right from the producer to the consumer. Ultimately I think we will come to that sort of a situation, especially when we talk about livestock marketing boards.

At the present time the functions of a Board of Livestock Commissioners is being, in a manner, taken care of under our own Livestock Products Marketing Act and by similar Dominion legislation, but there are definite weaknesses in our present set-up. The grades usually apply only to the top grades; there is no carrying of grades right to the consumer. We do some inspection of butcher shops in regard to the grading of beef (red label and blue label beef) and it ends just about there; but there is surely no protection to the housewife. The housewife has no way of determining whether she is paying for red-label beef or blue-label beef or commercial beef. A very careful

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canvas was made down east, and it was discovered that in most cases commercial beef was being sold either as blue-label beef or red-label beef. Now a proper functioning Board of Livestock Commissioners tied in with provincial legislation would certainly give the housewife some protection as to the grade of meat that she was buying. It is a real necessity.

This Legislature, Mr. Speaker, has passed a similar resolution a number of times and we have, at different times, asked for a Dominion-Provincial conference in the matter of a Board of Livestock Commissioners. No such conference has as yet been called. I am hopeful that it will be called, and that we can go into this whole matter in detail and finally develop a more satisfactory system of grading our livestock and carrying the grade right to the consumer. It is far overdue.

I should say, in connection with this, that I believe one of the chief weaknesses, as far as our present grading system is concerned, and one of the reasons that our present grading system is not popular with the farmers, is the fact that all the way down the line from the processor right to the retailer, advantage can be taken of the established top grades at the present time. For example, in the case of pork, spreads between an A hog and a B hog and a C hog, it is only a matter of a few pounds in a carcass; there is no way that the housewife can determine whether she is buying an A hog or a B hog, and, of course, the premiums are applicable to the top grades. I am convinced — and I am not going to accuse the packers industry of making huge profits and that sort of thing; but I do think that they make up for a whole lot of their costs in manipulating these grades. I am certain of it, Mr. Speaker, and I believe it would be to the advantage of everyone concerned if we had a regulatory Board of Livestock Commissioners that would grade the various cuts right down to the lowest possible cuts, and then set the spreads that the packer could take, set the spreads between the grades, and the amount that the processor could take, the amount the wholesaler could take, and the amount the retailer could take, all of which are legitimate services. There is no need, in my mind, that an industry be completely publicly-owned; but that it can be properly regulated as are the grain-handling facilities at the present time.

I am quite certain, of course, that the Legislature is again going to pass this resolution, and no doubt the critics of a plan of this kind will say that this is a whole lot more compulsion; but, Mr. Speaker, it is not compulsion, it is protection. It is protection to the farmer and it is protection to the consumer and to the public generally, against the kind of practices which can be carried on, and, too, in order to popularize the grading system with our farm people.

I think the hon. member for Wilkie is quite correct in saying that, oftentimes farmers can have a poor grade of cattle and think that they should get a high price for them; but, on the other hand, a wheat farmer has no similar illusions at all. He understands, today, what No. 1 wheat should look like, or what No. 2 wheat should look like, or No. 3 or No. 4 or 5, because almost daily he is in contact with his elevator agent in the process of grading that wheat. We should have the same thing for livestock, and I believe it would be a wonderful encouragement for our farm people to improve the quality of their livestock, generally, by knowing what the actual grades are. At the moment, however, the grades are mostly set, or the cattle are purchased and graded on the hoof; the buyer will run the animal around in a circle, crack a whip, and say "I will give you so much for those steers." Thus the price is just based on opinion. In my own judgment the only time that you can properly

grade an animal is when it is hanging up on the rail, and that is when grading should be done. Then the farmer who perhaps hasn't got a good quality animal could go to the slaughter house or the abattoir where he could see the carcass of his animal hanging on a rail alongside other carcasses. One of our chief objections is that it is usually the carcass of the farmer that is hanging on the rail!

If he could see his animal hanging on the rail and could make a comparison with the animal of higher quality that was sold by his neighbour, it would help him considerably. This story of hanging on the rail, Mr. Speaker, reminds me of being out to the Exhibition grounds when the livestock breeders were in — they are very conscious of grade, of course. This particular instance was the sheep breeders. We have a very prominent sheep breeder, Joe Moffatt — a character, too — and I happened to go into their sleeping quarters and some one of the other sheep breeders took Joe Moffatt's pyjamas and hung them up on a couple of nails and said, "Grade A carcass, mutton."

I think, Mr. Speaker, the House will approve this motion and overlook what I think perhaps is wording that might convey a wrong meaning — "to immediately establish a Board of Livestock Commissioners as a regulatory marketing agency." It would not be a marketing agency. Later on in the sentence I think this meaning is corrected when it says "for the livestock industry, similar in function to the Board of Grain Commissioners."

Mr. Walker (Hanley): — Strike out the word "Marketing" . . .

Hon. Mr. Nollet: — Yes, it could be, if the mover and seconder were willing to delete the word 'marketing' — "a regulatory agency for livestock."

Mr. Kramer: — Marketing was not intended to be in there in the first place.

Mr. Speaker: — Is there general agreement that the word "marketing" be struck out.

Mr. Cameron: — Could we have it read in its final form. I think that word "marketing" was certainly confusing the member for Redberry.

Mr. Speaker: — Agreed that the word "marketing" be struck out.

The question being put, it was agreed to unanimously.

After some time spent in Committee of the Whole, the Assembly adjourned without question put at 10 o'clock p.m.