

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session – Twelfth Legislature
16th Day

Thursday, March 1, 1956

The House met at 2:30 o'clock p.m.

CASH ADVANCES ON FARM-STORED GRAIN

Moved by Mr. Walker (Gravelbourg), seconded by Mr. Dewhurst:

“That this Assembly, recognizing that the Federal Government guaranteed bank loan scheme is inadequate to meet the serious financial crisis now confronting the western grain farmer and the entire prairie economy, deplores the failure of the Federal Government to provide a prepayment on the initial price of grain in the form of a cash advance on farm-stored grain.”

Mr. E. H. Walker (Gravelbourg): — Mr. Speaker, this motion has been on the Order Paper since the House met. Unfortunately, we have not been able to deal with it until this time. I think, even though some two or three weeks have passed, the problem is still just as important, and probably more important than it was at that time. Since there is no indication of relief coming to farmers who are short of cash, I think it would be most proper, and of good value, if we discuss this motion at this time.

I want to point out that it is not a matter which is entirely new or unfamiliar to the members of this House. This has been mentioned in other debates, and it has been mentioned a good deal by most members throughout the country over the past five or six months.

This topic has had a good deal of discussion in the House of Commons, much to the regret of Mr. Howe and the other Liberal members down there. It has also had a good deal of discussion in public meetings throughout all of Saskatchewan; not only by farmers, but by farm groups, and by practically every organization in the province. In fact, I think any time two farmers meet, I believe 90 per cent of the time of their discussion is taken up with the problem of a cash shortage.

I should remind the hon. members that such organizations as the Saskatchewan Chamber of Commerce has endorsed this principle of cash advances, away back in ‘The Leader-Post’ of Saturday, October 29, in which the heading was ‘Board Supports Cash Advances’. Most of these resolutions are similar, Mr. Speaker, and I won’t spend too much time in reading the actual resolution that was suggested at that time, because they all have the same thing in mind. They are not talking about bank loans, but are talking about cash advances. For instance, the Saskatchewan Board of Trade talks about immediate advances on farm-stored grain, and they go on to

March 1, 1956

Suggest that it should be equivalent to the initial payment of six bushels of wheat per cultivated acres.

We are not at this time taking issue with how these cash advances should be given, or to what extent they should be given, but we are suggesting that they should be discussed at good length in this House.

The Saskatchewan Farmers Union has, from time to time, made many statements in support of this resolution, and when they called their mass meeting in Regina, as reported in 'The Leader-Post' or Saturday, November 12, Mr. Hansen stated as follows:

“The grain problem is two-fold, Mr. Hansen said in introducing the subject to the meeting. First, the farmer needs immediate cash to carry him through until he can sell his grain, and second, Canada must expand its market for wheat if it is to deal with the present surplus.

“He said: The S.F.U. has held 17 district meetings and not a single farmer at any of them said he favoured the bank loan system on farm-stored grain, as announced by Trade Minister Howe.

“He quotes: They feel (that is, the farmers of the province) that if the present orderly marketing system is extended to the farms by way of cash advances through facilities of the Canadian Wheat Board, cash will go where it is needed.”

The Saskatchewan Wheat Pool at their annual convention this fall, discussed this matter, and as a matter of fact they discussed the matter just as soon as they met. It was not on the agenda, so it required a two-thirds majority to have it placed on the agenda. Their resolution reads as follows:

“The current problem of a shortage of farm cash was considered as soon as the annual meeting opened. The delegates went on record in favour of a system of cash advances against farm-stored grain to be paid out by the Canadian Wheat Board to elevator companies, with the Federal Government assuming the interest on the loans involved.”

Again I say, Mr. Speaker, this resolution passed by the delegates of the Saskatchewan Wheat Pool was passed with a two-thirds majority.

Mr. Lopton (Saltcoats): — It must have been C.C.F.!

Mr. Walker (Gravelbourg): — No, they are just good, intelligent farmers, Mr. Speaker. And as I said, practically every Board of Trade throughout the province; labour organizations, both provincial and federal; the inter-provincial Farm Union Council; the Saskatchewan Federation of Agriculture, and practically every major organization in the

province of Saskatchewan, has asked for cash advances on farm-stored grain. Not only farm organizations, Mr. Speaker, but other organizations who realize that, because the farmer is desperately short of cash, it is going to hurt all business and all people in the province.

I said practically every other major organization supported cash advances – it may be debated as to whether the Liberal party is a major organization or not. However, they are the only group which has taken from time to time exception to cash advances, and it is a little bit difficult to find out just where they do stand. In preparing a little material for this, Mr. Speaker, I started looking through newspaper clippings all the way from September right up to the present time, and in almost every clipping the Leader of the Opposition (Mr. McDonald) has taken a different stand on this question.

I should say at this time (and I am sorry that the Leader of the opposition is not in his seat, because I was going to pay him a compliment); but since he is not here, I will suffice to say that his very pleasing smile and glad hand-shake and very nice manner have won probably a lot of goodwill in this province. I hardly think it has won him any votes, because the people of Saskatchewan have been noted for voting for people for what they stand, and not for how they smile or how they say ‘hello’ to you!

Mr. Danielson (Arm River): — I hope that’s correct.

Mr. Walker (Gravelbourg): — However, we do appreciate the fact that the new Liberal leader has a new look.

The reports of his stand started away back on September 27, when the ‘Star-Phoenix’ reported: “McDonald to Ottawa with Secret Plans”; and in their article they suggested that he was after cash advances for farm-stored grain. On October 18, ‘The Leader-Post’ reported: “That two plans were outlined by Mr. McDonald when he was in Ottawa. The first provides for payments of 50 per cent of the initial payment of \$1.40, and half the wheat in storage as security. The second provides for payment of \$1.00 per bushel, with all the wheat in storage as security.” Now I think in there he was certainly suggesting a cash advance on wheat. That was when he went to Ottawa, Mr. Speaker.

When he returned a few days later, ‘The Leader-Post’ reports again on a ‘Secret Plan with Bank Loans’. It seems that when he reported on his ‘secret plan’ before he went to Ottawa, he was talking cash advances, and when he reported on his visit to Ottawa, on his return, he was talking about bank loans. I don’t know what changed him during the time he was away; whether he forgot what his representatives wanted him to do in that short a time, I don’t know; but somehow or other he changed his mind at that time, and ‘The Leader-Post’ quotes in the article:

“Mr. McDonald returned Saturday from Ottawa, where he held talks with the Prime Minister on farm cash problems. He said he made two proposals to Prime Minister

March 1, 1956

St. Laurent in bringing cash to western farmers. The first one was to increase grain storage space, so farmers can move their grain from the farms.”

I don't think there are too many farmers throughout Saskatchewan that have seen any results of that proposal to date. The second proposal was:

“That the Federal Government make provision to guarantee bank loans on farm-stored grain.”

And he goes on to explain how bank loans are going to help the farmer of Saskatchewan. Later on in the article, he wonders why the western farm organizations “had not to date, this year, asked for legislation similar to 1951.” I wonder if he has found out yet why they haven't asked for it?

Then on September 26, ‘The Winnipeg Free Press’ had a rather interesting editorial on Mr. McDonald's report after he returned from Ottawa, suggesting bank loans, and they headed their editorial, “Saskatchewan Red Herring.” I just want to read a portion of it, Mr. Speaker. It says:

“How can grain be moved off the farms and be started at least on its way to market? A great variety of ideas no doubt will be brought forth on Tuesday and Wednesday at the Saskatoon conference, organized by the inter-provincial Council of the Farm Unions.

“The conference is not to be despised merely because a good proportion of these ideas will be inevitably quite unrealistic. At present none will be sillier than one of the ideas that Mr. McDonald, Liberal Leader in Saskatchewan, has been making such a fuss about.”

Further down they say:

“Mr. McDonald has earned marks for vigour. His other proposal to Prime Minister St. Laurent, designed to ease bank lending to farmers against undelivered grain, was unoriginal. It may now come to something, and might be on a small scale helpful. If so, Mr. McDonald no doubt will be entitled to claim some credit, but the defence production proposal is a red herring to the farm people.

“That no one by Mr. McDonald ever thought seriously about it is hardly surprising, and the sooner it is forgotten now the better hope there is of assembling practical ideas on grain marketing.”

That is the comment which ‘The Winnipeg Free Press’ makes in regard to Mr. McDonald's advocacy of bank loans to help out the cash shortage in Saskatchewan.

And then again on September 27, just the next day, ‘The Leader-Post’ again reports a speech by Mr. McDonald in which he spoke at

Fort Qu'Appelle. The headline is: "Appeal for Grain Advances"; and it says:

"Liberal Leader, A. H. McDonald, Monday night, urged prairie farmers and business organizations to make representations to the Federal Government for advances on farm-stored grain."

He goes on to explain how they should all get organized to demand cash advances, when just the previous day he was advocating bank loans. And on October 21st, 'The Saskatoon Star-Phoenix' reports on Mr. McDonald's speeches in which he says, "To Continue After Cash for Farmers":

"Again urging farmers of western Canada to organized, to put pressure on the Federal Government to get cash advances, and not bank loans."

On October 22nd at Moosomin, Mr. McDonald lashes out at loan proposals. (He is back home again now). The headline is: "Mooted Grain Scheme less effective than a stirrup pump in a blazing forest fire." And in 'The Leader-Post' at Langbank the same day, "Mr. McDonald claims Wheat Loans as ineffective. . ." – again refers to the "stirrup pump in a forest fire."

It is peculiar how Mr. McDonald changes his story every time he talks to a different group. When he is talking to the farmers, he is in favour of cash advances; when he is talking to Mr. Gardiner or Mr. Howe, he is in favour of bank loans.

Then on November 8th, Mr. McDonald is again reported in 'The Saskatoon Star-Phoenix' in which he talks about "loans will help farmers who need aid." He proceeds to explain how the loans are going to help the farmers. I should probably read just a few paragraphs from it:

"The Federal Government was not bound to keep the Canadian Wheat Board in existence, he said. It was instituted only as a service to the farmers of western Canada in the first place. If they are going to criticize its policies continuously, the Government can always throw it out the window."

There he is threatening us that, if we demand cash advances, the Liberal Government at Ottawa will throw out the Wheat Board.

Mr. Lopton (Saltcoats): — That's what you fellows want them to do. You have been working at it for the last five years.

Mr. Walker (Gravelbourg): — They are trying to hold a big stick over the heads of the farmers of Saskatchewan just because they asked for something that is realistic; the Liberal leader threatens they will throw out the Canadian Wheat Board.

Mr. Kramer (The Battlefords): — How is that for arrogance!

March 1, 1956

Mr. Speaker: — Order!

Mr. Walker (Gravelbourg): — And to go on further down in the article, it says:

“Asked if he thought farmers would take advantage of the guaranteed bank loans made available, November 15th, Mr. McDonald said:

“Any farmer that needs financial help will take the loans.” (Probably they will if they can get them.)

Further down he says:

“In this way the Federal Government was taking care of people who really needed help. It is their duty and responsibility to take care of people who are unable to cope with their own problems.”

There is one point that we agree on.

“Loans are only a stop-gap measure. The big thing about the legislation is that it is giving the farmer an opportunity to deliver his grain.”

I wonder if he will still say that. I doubt very much that he will.

Mr. Danielson: — That’s what the Royal Commission said – just a stop-gap.

Mr. Walker (Gravelbourg): — There is certainly no indication that grain is moving to any extent in Saskatchewan. If it did, the bank loans would certainly have nothing to do with it. This one is rather confusing. Here he says:

“At the convention of the Saskatchewan Wheat Pool in Regina, delegates without exception were in favour of what the Federal Government were proposing to do about bank loans.”

Completely contradictory to what the Saskatchewan Wheat Pool has to say. They tell us that the delegates voted, with a two-thirds majority, that they didn’t want bank loans, but rather they wanted cash advances.

And now we can come right up to date, Mr. Speaker, and read in February 17th ‘Moose Jaw Times’: “Liberal Leader Addresses Rally at Assiniboia”; where he is talking about the Canadian Wheat Board sale policy – “has steadied agriculture in the world”, adding:

“The bank loans are not the answer to the present unfavourable situation.”

Once again we are in agreement. It is unfortunate that he is not in his seat today so that he could have the opportunity of telling us where he stands.

Mr. Loptson: — He will.

Mr. Walker (Gravelbourg): — We have found, in the following the clippings of his travels throughout Saskatchewan, that he has been on one side and then on the other side, and he's been back again and changed over again. Of course, Mr. Speaker, one purpose of having the elected representatives of the people of this province come into this Legislature is to find out where they stand on important issues. But it is easy for a member to say in the country that he was misquoted, or that he didn't really mean that, and so we have the advantage in this democracy of ours that we can always assemble here in this Chamber; we have little recording speakers on our desks, and we record what is being said, and we can find out how the members of this Legislature stand. I think it is very important that we do that here in this Chamber and not wait until the House is adjourned, then go back out into the country and start talking again as the Leader of the Opposition does. He talks to satisfy whomever he happens to be talking to.

Mr. Danielson: — Sure you won't do that, too?

Mr. Walker (Gravelbourg): — So I was happy to hear that the hon. members on this side of the House have offered today to give the Liberal members on the opposite side, particularly the Liberal leader, an opportunity to find out how their party stands in this issue. They have offered to make sure they have an opportunity to express themselves on this issue. They have been noticeably quiet since they came into the House on this particular matter, and for a good reason; but I think it is time the members opposite indicate how they stand on this very important matter.

I want to remind the hon. members that for the past 10 years the C.C.F. party has been advocating cash advances as a permanent policy for Canadian farmers, and it should be available to them any time they need it. In the past five years alone, Mr. Speaker, this House has on two occasions passed unanimously resolutions calling for cash advances. In 1952, the hon. member for Kindersley (Mr. Wellbelove) moved a resolution, seconded by the hon. member for Morse (Mr. Gibson), that this Assembly request that the Federal Government, as a matter of policy, so amend The Canadian Wheat Board Act as to provide for substantial cash advances to farmers on grain stored on the farms. It was agreed to unanimously, including most of the members over there. The now M.P. for Rosthern (Mr. Tucker) who, on recent occasions has made a turn-about and voted the other way; and again on Tuesday, April 7, 1953, I moved a resolution once again calling for substantial advance payments on grain stored in approved bins. That resolution was agreed to unanimously, including most of the members on the opposite side of the House. Mr. Walter Tucker, the M.P. for Rosthern, who is now away down in Ottawa, sees fit to vote the other way.

The C.C.F. members in Ottawa have from time to time, and year after year, put this question before the members of that House in an attempt to get cash advances written into the policies of the Canadian Wheat Board, but they have always been voted down by the huge Liberal majority in Ottawa. The House of Commons recently has spent a good deal of time discussing this resolution and, during that long debate, only one Liberal private

March 1, 1956

member from Saskatchewan spoke on that debate and he spoke against it. There wasn't one Liberal from Saskatchewan who spoke in favour of cash advances and there wasn't one Liberal member who voted in favour of cash advances.

Mr. Loptson: — They knew what they were doing.

Mr. Walker (Gravelbourg): — In fact every Liberal member, including those from western Canada, voted against cash advances in Ottawa just the other day.

Mr. Willis (Melfort-Tisdale): — Rubber stamps.

Mr. Walker (Gravelbourg): — The C.C.F. moved in the House of Commons very early in the session a resolution which I want to read to you so that you will know what was in it. On page 53, January 12, of Hansard, the Resolution can be found:

“We respectfully represent that Your Excellency's advisors, by reason of their indifference, inertia and lack of leadership in the face of serious national problems, including their failure to provide cash advances on farm-stored grain equal to not less than 75 per cent of the initial price, to alleviate the serious financial crisis now confronting western farmers and the entire economy of the prairie provinces; and their disregard of the rights of Parliament, are not entitled to the confidence of this House.”

As I say, Mr. Speaker, every Liberal member down there voted against that resolution, including every Liberal member from Saskatchewan.

Mr. Danielson: — That is what you did on the Public Revenue Tax.

Mr. Walker (Gravelbourg): — The Liberals down there were not even interested in discussing this topic. They tried to keep it out of the House of Commons as best they could. When the C.C.F. persisted in discussing it, they objected many times. The other Opposition parties in the House of Commons made an about-face, and turned around and started to support the C.C.F. The C.C.F. led the way right from the start, but the Social Credit and the Conservatives came in after the first vote was taken. There were seven votes in all, in a matter of 12 days' debate. I see a very good report on it in the 'Leader-Post' of Wednesday, February 29, headed:

“Bitter Finale as Loan Passed:

“The last-ditch opposition to the Government's grain loan legislation to prairie farmers produced a flurry of votes a resurgence of bitter debate Tuesday before the Bill received final passage in the House of Commons.

“The Progressive-Conservatives and C.C.F. members made two successive attempts to block the controversial Bill just before the House gave it third reading. It

was a climax; a stormy passage for the measure which was voted on seven times in the 12 days it was under debate.

“The Bill will ratify Federal Government guarantee in effect since November 15th on bank loans on farm-stored grain.”

During the latter part of the debate, Mr. Argue is quoted as saying:

“The main reason that the Government won’t change the Bill is because Trade Minister Howe is not prepared to admit that he was wrong, last fall, in thinking that farmers would accept the loans.”

Mr. Danielson: — He must have been wrong too, then.

Mr. Walker (Gravelbourg): — It has been suggested in some quarters over the new broadcast by an official of the Alberta Wheat Pool that politicians are making a political issue out of cash advances. I want to suggest, Mr. Speaker, that if certain leaders and certain farm organizations had done their job, it would not have been necessary for politicians to get into this fight at all. Politicians only get into a fight like this after it has gone away past its deadline, and only when they have to. If the Federal Government at Ottawa had done what they were supposed to do, and what they should have done last fall, the C.C.F. would never had to get into this fight.

We not only have members of the House of Commons and the Opposition supporting us; we even have on Senator supporting us. Senator Haig, speaking in the Senate, Thursday, January 19, this year, says:

“I agree with the proposal of the C.C.F. party. The Government should pay at least 75 per cent of the initial price of grain to the farmer for the quantity in his granary, or on his farm, so as to enable him to carry on.”

He goes on to elaborate why he thinks the Federal Government should be giving us cash advances on grain rather than bank loans.

Now, Mr. Speaker, there is, I think, a very good reason for the farmers demanding cash advances this fall, not only because their product – wheat – is not moving, but because of the unfavourable cost-price relationship which the farmer finds himself in. He knows that the costs of farming and living have continually gone up, and that the things he has to sell are continually going down. The cash income in 1954-55 dropped 42 per cent, as estimated by D.B.S. Percentage change since 1935 and 1955 – cash income is down 39 per cent; net income down 34 per cent; and disposable products down 51.7 per cent. The cost of living – or rather the cost-price squeeze is estimated to be at a 28 per cent disadvantage to the farmer today.

The hon. members opposite keep suggesting that cash advances are not going to solve the problem in Saskatchewan, and I will be one of

March 1, 1956

those to admit that cash advances are not going to solve all the problems of the farmer in Saskatchewan, simply because it is costing the farmer too much to farm, and he is not getting enough for the products he does have to sell; but I am suggesting that those farmers who have wheat on their farms should be able to sell it, and get that much cash out at least.

As I suggested when I started out, Mr. Speaker, I still think that this resolution is important at this date. If we look back the records in the House of Commons, we find that, away back on February 18 – just a little over a year ago – Mr. Howe started making promises as to how much wheat was going to move. In the Hansard of February 18, 1955, Mr. Howe makes a statement in regard to wheat deliveries up to the end of the year. I will just read the paragraph:

“However, as I say, our sales are very good. I can assure hon. members, I think, with certainty that before the crop-year ends on July 31st, any producer who has grain of any kind that he wishes to market will have had an opportunity of marketing it. The suggestion of farm-storage on the farm, I feel, is one that will not help very much, considering the short period that should ensue between now and the day the Wheat Board will be able to market all the grain he has to market.”

Well, I know a good many farmers that didn't market that grain until December of 1955; just about ten months after Mr. Howe made his statement.

Then again in July – that was in February, remember; this was in July, 1955, when Mr. Howe makes further statements in regard to yearend deliveries. This is in answer to a question by Mr. Coldwell, in which he asked:

“I should like to ask him if he is still of the opinion he gave the House on February 18th, that before the crop-year ends, any producer who has grain on hand that he wishes to market, will have an opportunity to market it; and that assurance be fulfilled.”

Mr. Howe replied:

“This matter was discussed in the committee on agriculture, and at that time I corrected my former statements to say that there would be certain points in Saskatchewan that would be undelivered of wheat at the end of this crop-year. However, we will certainly arrive at the 8-bushel quota, and I am still confident that before the next crop-year starts to move, we will have off the farms all the grain the producers now wish to deliver.”

Mr. Loptson: — It would have been, too, but for the yapping of the C.C.F. party.

Some Govt. Member: — I suppose we slowed down the moving of the boxcars, too, eh?

Mr. Speaker: — Order!

Mr. Walker (Gravelbourg): — Then Mr. Coldwell asks:

“Are there many points on the 8-bushel quota which will be in effect on the 31st of July?”

The reply was:

“The 8-bushel quota will be in effect everywhere by the 31st of July.”

And I guess it was. And then further on, Mr. Coldwell says:

“But it will be some time beyond that before the quota will be lifted on the grain now on the farms in storage?”

The reply was:

“I wouldn’t like to talk about lifting the quota. There are points that have had heavy crops for a number of years. . .”

And he suggested that in the area around Regina the farmers are so prosperous that they don’t really need to deliver the wheat which they won’t be able to deliver by the end of the crop year, and so on.

Then Mr. Argue gets into the question a little later on, and he says,

“I would like to ask the Minister of Trade and Commerce a supplementary question arising out of the question asked by Mr. Coldwell. Can the Minister assure the House that in addition to having an 8-bushel quota in our marketing points, sufficient boxcars will be available so that farmers may, in fact, take advantage of the 8-bushel quota? It is nice to have an 8-bushel quota, but it does not mean much unless there are enough boxcars.”

Mr. Howe replied:

“I can assure my hon. friend that the difficulty is not in the number of boxcars engaged in moving grain in western Canada. The distribution of boxcars is closing in the points today that have delivery surpluses, and I am afraid that these points will be flooded with boxcars.” (He is afraid they will).

He also expressed opposition to bank loans for quite a number of reasons, along with the hon. Leader of the Opposition, who has at times even expressed opposition to bank loans, and I think they are very legitimate reasons. They object to the interest rate which they have to pay on bank loans, and they object to the interest rate because they feel it is

March 1, 1956

interest on their own money. The farmer of Saskatchewan thinks he should be entitled to his wages for the summer, and to sufficient income to pay his expenses throughout the operating year.

Now, not only are we objecting to bank loans for that reason, but we are also objecting to bank loans because they are not available to farmers that need the bank loans. First of all, we are at the whim of the bank manager. He has the sole right to refuse to allow a farmer to have a loan, and even if the bank managers were 100 per cent co-operative, still there are not enough banks throughout the province of Saskatchewan who know enough about grain, and who know enough about giving loans to grain, that they would be in a position to advance money to farmers realistically.

Some Opposition Member: — That is just about as true as his other statements.

Mr. Walker (Gravelbourg): — There is nobody but the elevator agent who knows as much about grain, as to its condition, as to the amount that is there; and after all, if a farmer has got 10,000 bushels of grain on his farm, that is what he is worth; he is not worth what some bank manager tells him he is worth. It is quite true that any advance given on grain should be entered in the quota book so that it would be readily selectable. I don't think they would have any difficulty with that, if the farmers could just get the bank loan.

Before leaving the discussion about Mr. Howe and his tactics in Ottawa, I should mention the Royal Commission on Agriculture and Rural Life, in which it comments in its recommendations on cash advances and bank loans.

Mr. Cameron (Maple Creek): — What page is that, please?

Mr. Walker (Gravelbourg): — On page 207 – that is where I am at the moment. As I say, the Royal Commission in its conclusions, towards the latter part of its report, comments on bank loans and cash advances to this extent, and I quote:

“Delayed deliveries of wheat, necessitated by lack of storage space, resulted in high farm storage expenses and delayed returns to producers. For farmers with limited resources the resulting financial hardship is serious. The proposal that farmers be paid storage for farm-stored grain has considerable merit. In addition, the provision of emergency credit by banks and credit unions, guaranteed by the Federal Government, would be a useful part of any long-term agricultural programme.”

Mr. Cameron: — Emergency credit.

Mr. Walker (Gravelbourg): — The Royal Commission admits that every year there are parts of Saskatchewan, and there are farmers in every point who have grain but cannot get it delivered because of congestion in the elevators. There are farmers who have possibly overspent a little bit during the summer time, and they now find themselves short of cash to take off their crop. For that reason, the Royal Commission tells us they

recommend that “provision for emergency credit by banks and credit unions guaranteed by the Federal Government would be a useful part of any long-term agricultural programme.”

Mr. Loptson: — And you are opposing that, eh?

Mr. Walker (Gravelbourg): — No, I’m not opposing it at all. I said that the Royal Commission suggests, as a permanent part of our agricultural programme, for all those farmers who find themselves short of cash before harvesting comes and before they get the wheat into the elevator, that therefore, there should be guaranteed bank loans by the Federal Government available to the farmers at all times. And they suggested just before that, that there should be cash advances available in a crisis like we are experiencing at the present time.

Mr. Loptson: — Well, we’ve got one ‘Moses’ here to lead us out of the wilderness.

Mr. Walker (Gravelbourg): — They go on to say:

“A survey of present storage facilities is urgently required to determine whether new storage is needed and, if needed, where it should be built. In the meantime, advance payments could be made by the Wheat Board on properly stored grain on the farm to ease the farmer’s immediate cash shortage.”

Despite everyone recognizing that there is a shortage of good storage in Saskatchewan and that the farmers would have to spend a good deal of money to improve their storage if this programme of cash advances on farm-stored grain is going to 100 per cent successful, once again we get back to the old position that the farmer is simply too broke to be building good storage, and certainly no one but Ottawa is responsible for that.

Later on, the Royal Commission again comments on these cash advances, and one of their recommendations – Recommendation No. 14 says:

“That in view of the grain producers’ immediate need for cash and their present difficulty in selling farm stocks of grain, the Federal Government promptly established, on an emergency basis, a system of cash advances on farm-stored grain.”

Mr. McCarthy (Cannington): — Well, this all right for an emergency.

Mr. Loptson: — Let’s talk about the farmer who hasn’t any grain.

Mr. Walker (Gravelbourg): — The hon. members opposite are again attempting to confuse the issue by trying to deny the farmers the rights to which they are entitled.

I just want, in closing, Mr. Speaker, to suggest some of the advantages of cash advances. One of the more important advantages is that cash should be available to the farmer as a right, not as something which we have to fight for every time this emergency situation arises. Cash should

March 1, 1956

be available to the farmer, whether he can sell his wheat or not. It should be advanced through the elevator agents, because they are in a much better position to look after it. They are in much closer contact with the farmer and his needs than are the bank managers. Now, I want to suggest one further advantage which cash advances have, and which has not been mentioned often, and that is the inequity in the quota system; quotas between delivery points and individual farmers. The United Grain Growers, in their presentation to the agricultural committee in Ottawa, has a very interesting paragraph here which I will quote:

“We repeat the simple suggest which we have already made – leave it to the Canadian Wheat Board to allocate its shipping orders on an equitable basis to an elevator company, as long as elevator congestion continues, and as long as it has special needs for certain kinds and grades of grain.”

No one denies that the Canadian Wheat Board should not have the right to draw wheat from the points from which they wish to draw, but because they do that, Mr. Speaker, it means that other points have to wait many months before they can deliver their quota of grain.

No, we are not arguing that the Canadian Wheat Board should not continue to do that; but I am suggesting, Mr. Speaker, that if the Federal Government, through the Canadian Wheat Board, would provide cash advances then nobody in Saskatchewan would mind if the Canadian Wheat Board talks all the wheat from one or two delivery points. Nobody would object, because they have to do that; we ask that they provide cash advances to other farmers who are not fortunate enough to be at those few delivery points.

Mr. Speaker, I take great pleasure in moving, seconded by the hon. member for Wadena (Mr. Dewhurst), the resolution which stands under my name on the Order Paper. Just before sitting down, Mr. Speaker, I want to repeat that I hope the hon. members opposite will stand up in this House and tell us what they stand for in this regard. They have made a lot of confusing statements throughout the province of Saskatchewan; they have failed to explain what their stand is. I think now the time has come for them to stand up and be counted.

Mr. McCarthy: — Like you did on Public Revenue, eh?

Mr. F.A. Dewhurst (Wadena): — Mr. Speaker, it gives me a great deal of pleasure at this time to second the motion moved by the member for Gravelbourg (Mr. E. H. Walker).

Throughout the past five or six months in Saskatchewan I do not believe there is any topic which has received greater public attention than the plight of the Saskatchewan farmer, and the western farmer as a whole, due to the inability of the farmer to be able to market his product. I agree with what the member for Gravelbourg has said, wholeheartedly, but I would like to add a few more words to what he has said.

I noticed, when the member for Gravelbourg quoted the resolution of the Wheat Pool which they passed early last November, he pointed

out that the resolution not having been originally on the agenda, it was necessary to have a two-thirds majority of the delegates in order to bring it before the convention.

Mr. Loptson (Saltcoats): — Since when?

Mr. Dewhurst: — And a two-thirds vote was taken. The member for Saltcoats chimed in when the member for Gravelbourg said that this resolution was passed overwhelmingly by that convention, and he said the Wheat Pool must be all C.C.F. Well, Mr. Speaker, that is quite different to what I have been hearing in and around these Chambers the last couple of weeks, as to how the farmers all deserted the C.C.F. The Wheat Pool is a pretty large organization – and now he tells us they are all C.C.F.

Mr. Loptson: — . . .nominated.

Mr. Dewhurst: — At one time they were organized by the Communists; now they are C.C.F.! And the member for Arm River (Mr. Danielson) wanted to know what the Royal Commission had to say on it. Well, I would like to refer to what the Royal Commission had to say on it. I would like to refer members of the House to the Agricultural Support and Prices, published by the Royal Commission on Rural Life – Book No. 8, and if they will turn to page 207, Conclusion No. 17, which the member for Gravelbourg quoted, they will see in that recommendation that cash advances are recommended for our situation. Again, if they will turn to page 216 and read Recommendations Nos. 14 and 15, they will also see that there again they are recommending cash advances.

Mr. McCarthy (Cannington): — Why don't you read it?

Mr. Dewhurst: — It is true that they make reference in No. 15 to the Prairie Producers' Interim Financing Act. What do they mean by this, Mr. Speaker? I think members of the Opposition, as well as a good many of the members on this side of the House, have had a pretty good opportunity of knowing what the Commission meant by those recommendations and conclusions.

As you are aware, Mr. Speaker, and all members of this House are aware and I think the public of Saskatchewan also, a Special Committee was set up to investigate the problems of marketing and farm income. That Committee has held a number of meetings. One of the first witnesses to present evidence before this Special Committee. . .

Mr. Speaker: — Order! I don't think you should bring into the House any of the proceedings of that Committee until their final report has been presented.

Mr. Dewhurst: — I shall bow to your ruling, Mr. Speaker. But I want to point out that any member of this Committee can understand better what was said there if they will peruse the proceedings of the other Committee; and I agree with you, Mr. Speaker, I am not entitled at this time to quote them in the House, but I would ask the members to go over the transcripts and see for themselves.

March 1, 1956

on other occasions I have discussed with the Royal Commission exactly what they meant by some of these points, and no later than this morning I had a talk with some of the people on the Royal Commission and they pointed out to me what they meant by an Act which could come under an Interim Financing Act, and that would be if the Federal Government would set up legislation whereby the farmers could be guaranteed a place to get credit from. They do not mean that that would have to be prepaid out of the immediate crop. As an example, they pointed out to me, when I was discussing it with them this morning, that if a farmer's cost of operation was \$20 an acre (just using round figures, Mr. Speaker) and his crop only netted him \$18 per acre, then consequently he would not have enough income to carry on. There should be Federal legislation whereby he could turn to them to get the additional money he needed. Then, in the following year if he had anything over and above his cost of production he could pay it back. They do not suggest, on a long-term financing set-up for agriculture, that it should be paid back necessarily in the same year.

We have heard people contend that labour is one of the reasons for the price-squeeze we find ourselves in now. I mentioned in one debate in this House, last year, the increased cost of production on a combine, over the last ten years, has gone up by \$3,000 on the larger combines. That amounts to 30 mills of taxation on a \$10,000 assessment on a farmer's land, over a period of ten years, or 300 mills for one year. It isn't labour's fault that we are in this trouble. If that was so, Mr. Speaker, then would not the farmers have been well off in the 'thirties when labour was so cheap that you could get labour at your own price, and teachers got little or nothing for their work? So it isn't labour that is the cause of all our trouble. We are in a price-squeeze, where the cost of our production is going up and the price of our produce is going down.

Mr. Speaker: — Order! I think you are getting away from the subject matter of the motion.

Mr. Dewhurst: — I want to point out, Mr. Speaker, that the cost of the farmer's commodities are going up and what he has to sell is going down; so consequently we find ourselves in a squeeze. The official figures show that, in 1954-55, we exported less grain than we did in 1953-54, and as of January 4, this year, we were down 23 ½ per cent on our exports compared to the same period, last year. That being the case, Mr. Speaker, with the farmer's costs going up, he must, then, be able to get money some place in the fall of the year to pay his obligations. If he cannot market his grain just how is he going to get that cash?

I have here in my hand a copy of one of the forms which came out, last fall, for the farmers to have to sign if they wanted to get a bank loan; and one of the clauses in this contract stated:

“To the best of my knowledge and belief there are no liens or other claims against the grain or any part of the grain described in paragraph 2, save those I have described below, and I hereby authorize you to make any search or obtain any information as to the existence of liens or other claims against such grain as you may think necessary, and I agree to reimburse you for the cost of doing the same.”

Mr. Speaker, the type of forms they had to sign in order to get a bank loan was most ridiculous and most unfair. The farmer should not have to be put to all that trouble. I may say that this form has been emended since that time. Some of the objectionable features have been struck out, but the whole principle to the farmers of this province is still objectionable.

We believe that the farmers should have the right, when we produce the grain, to get an advance – if no other system is set up, we should be able to get an advance at least on a portion of our grain. And I am not too sure that it should only be on the estimated quota, because if the Department of Trade and Commerce sets the estimated marketable quota at three bushels per acre, then if they got 75 per cent of that, it would be far less than 75 per cent of an eight-bushel quota. They should be entitled to 75 per cent of all marketable grain on their farms.

When the munitions makers make supplies for the Department of National Defence they do not have to wait for their pay until those munitions are taken by the Government and actually use, as do the farmers with their grain. Half of Canada's national budget, over \$2,000 million, goes to the Department of National Defence. These companies contract, and when they are able to deliver the goods they are paid for them. Why don't the farmers get paid for their commodities when they are in a deliverable position? If they cannot deliver that is no fault of the farmers.

The mover has pointed out a number of the statements which were made by the Leader of the Opposition (Mr. McDonald) and others on their stand on this question. I am sorry that the Leader of the Opposition is not in his seat; I am also sorry that the member for Souris-Estevan (Mr. Kohaly) isn't here, because I would like to see where both these members stand on this question. I would like to see them also make some of their views known on air time, and I intend to make way for them shortly, if any of them want to do so. I understand there are some of my colleagues on this side of the House who would like to say a few words on this resolution, but they would be only too glad to allow some of the Opposition members to make their views known over the air.

There are many more things that I could say on the reason for cash advances. I know of farmers in my constituency, last year, who had grain to market, and couldn't sell it; and their husbandry on their farms was carried on very poorly as a result. I have talked to some of those farmers and they said they had equipment sitting in their yards; they had everything necessary to go out and do their fall work, but instead of that they were just burning off their stubble fields and burning off the straw. They said they didn't have the money to buy the gas to keep their tractors going. They felt that by burning off the straw at least it may kill a few of the weeds and make it that much more economical to get over this coming spring, because they wouldn't have the straw in the wheels of their machines. I think that is a very bad condemnation of our Canadian society, when we put Canada's agricultural economy in that position. When we have about 20 per cent of Canada's population engaged in agriculture throughout Canada and we get six per cent of the national income, something is wrong.

At a later date, Mr. Speaker, I hope to have more to say on what I believe, myself, should be done along the line of parity price for

March 1, 1956

agriculture, but with these remarks and in order to make time for some of the other members of this Legislature, and I take great pleasure in seconding this motion.

Mr. Harry Gibbs (Swift Current): — Mr. Speaker, I am going to say a few words with regard to this resolution because I believe all members in this House know that I am not a farmer. I earn my living by labour, that is my mechanism of labour; but I know, as a labour man, that we cannot live without the farmers in this province and the farmers cannot live without us. It reminds me of a song that was sung in the first Great War, and that song went something like this: “We are all out of step but Jim.” It seems to me, Mr. Speaker, that everybody in the province seems to be out of step but the Liberal party, with regard to the matter we are discussing.

We all know that agriculture is the stable and established industry of this province. None of us are going to deny that, and there is no doubt about it that the farmer has the right to have money for what he produces just like the labouring man has the right to the wages which he earns. We cannot live without this money, and how in the world do the Liberals think that the farmers of this province are going to get by without any money! Surely they know what took place here years ago in this province, and if we don't do something, under the monetary system under which we live, well then the farmers will be in the same predicament as they were back there in the dirty 'thirties.

It seems rather strange, Mr. Speaker, that ever since the crop has been taken off and the farmers couldn't see the grain, there have been various discussions all over the province and probably all over the Dominion of Canada, with regard to this situation. It comes to my mind that, a few months ago, the Chamber of Commerce from Montana was up to visit the Chamber of Commerce in Swift Current, and myself, as the provincial member for Swift Current constituency, was invited to a banquet which the Chamber was putting. Mr. Irwin Studer, the Liberal member of Parliament for Maple Creek-Swift Current was also invited. So after we had the banquet we were asked to say a few words, and of course Mr. Studer was asked to speak first. And I was amazed and astounded, Mr. Speaker, because of the fact that Mr. Studer never mentioned one word about the agricultural situation in this province, or the plight of the farmers – and him being a farmer! Him being an actual, practical farmer – he never mentioned one word! He went on speaking and all he talked about was the Iron Curtain, which is one of his favourite topics. Of course maybe it was for my benefit, but I don't know whether it was or not.

However, he did mention – and mind you, at the time, just prior to this meeting, the Russian delegation or commission on agriculture was in this province and they had been received with open arms and been given every courtesy, and as far as I could read (although I never met them myself) they thought Saskatchewan was a wonderful province; in fact, they said it was the best province they had been in, in Canada. But Mr. Studer never mentioned anything about the agricultural commission coming over from Russia. They were here on a peaceful mission and they were here to see how we did things in Canada and to see if we could probably drum up some

business. I noticed in the 'Leader-Post' yesterday, although I know we have been selling wheat to Russia, but I think there is a big consignment now about to be made, probably running into millions of dollars. I wonder if the Liberals are going out yet and selling the farmer's wheat to Russia. I don't know whether they are or not, but I am just wondering if they are going to object to selling our wheat behind the Iron Curtain.

Well, anyway, this banquet was over and when I got up to speak, and there were a lot of delegates from Montana, and they came to me and talked to me afterwards. They said, "What do you do, Harry; what is your business?" I told them I was just a labour man, that I was a railroad man, a boilermaker by trade; and they thought it funny that I was speaking on agricultural matters when Mr. Studer never even mentioned the word. "Oh, well" I said, "probably out of step again, like the old song."

Mr. Loptson (Saltcoats): — At that time you were looking for farmers' votes.

Mr. Gibbs: — So, back there in October, the editor of the Swift Current 'Sun' invited Mr. Studer and myself to make statements with regard to the wheat crisis in this province, and there it is, sitting right on the front page, too. It is not very long, Mr. Speaker, but I would just like to have this go into the records — what I said in October; not in February or not in March, but last October, with regard to the wheat crisis. I am not a farmer, but I said this:

"What is the answer? Everywhere I go into small gatherings (and this was the truth, at that time) meetings, and even when I stop and chat on the street, one hears the same questions, 'What are we going to do with our wheat?' There is no doubt but what the farmers are deeply concerned about their inability to dispose of this crop and to get the required money to meet their debts and obligations for the coming year, and I am sure we all feel that the situation is critical — or do we? The question arises, 'How are we going to dispose of the farmers' surplus products, essentially wheat?' The Saskatchewan C.C.F. Government has been advocating for years that the Wheat Board should be empowered to give a cash advance of at least 75 per cent of the initial payment on all farm-stored grain. It is to the interest of everyone concerned that farmers should be able to realize some cash from a crop, which, through no fault of their own, they are unable to deliver at the present time."

Mr. Loptson: — What would the C.C.F. do?

Mr. Gibbs: — Continuing with the article:

"Premier Douglas, back in 1942 when he was a member of the Federal House, made a proposal to the House of Commons advocating cash advances on farm-stored grain, and he has still to hear one sound argument as to why it is not feasible.

March 1, 1956

“The Saskatchewan Provincial Government has been submitting resolutions dealing with (as my hon. friend from Gravelbourg has already quoted) cash advances and orderly marketing for farm products, religiously to the Federal Government for quite a number of sessions. The result was always the same – complacency with no action as regards the proposals. In fact, C.C.F. speakers throughout the province have been ridiculed by the Liberal press as being ‘economic illiterates’ . . . (oh, can you imagine that?). . . who didn’t know what they were talking about.”

Mr. Loptson: — Is that true?

Mr. Gibbs: — I want to finish this press report:

“Well I don’t know whether the average person in our province coincides with what our political opponents think and say on these important matters. I would rather think that the rank and file of the people of our province would much rather deal with the realm of economic planning, of planned production, of forward pricing on the basis of parity for the farmer; and of international planning to help feed the hungry peoples of the world, and I think we all realize that food and materials are badly needed in vast areas of the world, and that Canada could do more in this field – but not at the expense of the farmer. The whole nation should carry this burden and it seems to be the only ultimate solution to the problem of surplus reduction.

“Actually, I am convinced there is no real surplus of foodstuffs in the world, but evidently there is a lack of planning for the purpose of fulfilling human needs. I believe the time is overdue and that we should do some plain talking on such matters as are confronting the people of our province during this critical period. It is a matter of urgent importance that questions should be asked and answered as to ‘why should the farmer be required to go to the bank to ask for a loan on his farm-stored grain?’ Who lost the British market, and why?”

Mr. Loptson: — The C.C.F.ers.

Mr. Gibbs: — “Why haven’t the Saskatchewan Federal members of parliament raised their voices in protest about this urgent situation?”

Mr. Cameron (Maple Creek): — Did you say all that, Harry?

Mr. Gibbs: — Wait a minute, there is some more coming:

“Why is it that before the western farmers can get any action from the Federal Government they have to call

mass meetings, organize delegations and treks to Ottawa, threats of strike action, etc.”

And you know that is the truth. They have always, if they wanted to get anything from their own productions, or parity prices, - you know what happened in 1942 – a trek to Ottawa. There will probably be another trek to Ottawa. That is the way it has been for the farmers. They get nothing until they do go down there. And they get nothing when they do go down.

“The farmers I have spoken to are definitely opposed to bank loans with interest. Probably it does seem like ‘hauling coals to Newcastle’. I am convinced that the time has come, not for assurance, but for action. We people of the prairies should speak with one voice and demand that Parliament be called into session immediately to deal with a situation which has been too long neglected.”

Now, did they call Parliament? You know what happened. They did nothing! I would say this to the farmers of this province – and mind you there are a lot of them that still believe in that flea-bitten politics of Liberalism, but if they are going to see the actions of the Liberals, and the Federal members of this province, and the Liberal members of this province, carrying on and not even helping and assisting the farmer when he is in a spot, they deserve everything they get. They do; they deserve everything they got. We have worked and worked for years and years for what we have got.

Mr. Loptson: — Yes, and you wrecked yourself.

Mr. Gibbs: — And we are still struggling, and it is up to our Federal members. We can get it in various ways. They can get a lot by political action if they want to take it, but it is only, as I understand it, the more or less wealthy farmers in the province who do not want cash advances on their farm product.

Mr. Loptson: — They want the right to sell.

Mr. Gibbs: — I know hundreds that want it, and they have a right to it. As I said before – if they produce, and work for it, they have a right to their wages. What would you think? I don’t know what a lot of you fellows over there – whether you are wage-earners or not; you all look pretty fat on it, anyway. But what would I think if a company I work for, when it came pay day, didn’t give me any pay. What would I think?

Mr. Loptson: — Mr. Speaker, I would just like to ask the hon. member a question. If he is so concerned about the fellow who has so much wheat, what are you going to do with the fellow that hasn’t got any wheat? And there are lots of them.

Mr. Gibbs: — Well, we will have to give them something, too, if they haven’t got it. Like you say, you can’t take blood from a stone. They will have to be fed and they will have to be housed, even if they have nothing. But probably it won’t be done under a Liberal government.

March 1, 1956

Mr. Danielson: — You're feeling sorry for. . .

Mr. Gibbs: — But as far as I am concerned, it wouldn't matter whether they had nothing at all; they would have to be housed and fed and clothed, as far as I am concerned. And I think our Government feels the same.

Some Opposition Member: — Oh, big shot!

Mr. Loptson: — The Premier and the press are going to. . .

Mr. Speaker: — Order!

Mr. Cameron: — It's probably your last chance, Harry, go ahead.

Mr. Speaker: — Order! Order!

Mr. Gibbs: — Well, anyway, the situation, as previous speakers have pointed out, is serious. It wouldn't be serious if we didn't have to deal with money – if money wasn't the thing that is exchanged to buy provisions and products; but it is, and that makes all the difference in the world. I cannot buy a loaf of bread unless I have the price to pay for it, and neither can you.

Mr. Danielson: — You had better see the Premier.

Mr. Gibbs: — I couldn't trade a pair of pigeons or something like that for a loaf of bread because. . .

Mr. Cameron: — You could charge it up, Harry.

Mr. Gibbs: — Well, you could put it on the cuff, all right, and that is what a lot of them have to do, too. This is a vital situation and I cannot, for the life of me – in fact, I know you guys are going to be put on the spot, because the farmer of this province is demanding to know, politically, how you fellows stand on this situation. Some of you are farmers. Well, if you are all supposed to be good Christians – live and let live; and we'll see what you do.

Mr. Loptson: — That is Liberalism for you.

Mr. Gibbs: — I say this, and I have told it before, that without the farmer we cannot live and without us fellows in the labouring fields of industry you cannot live. We should all be pulling together. It is about time, too, that we started having some reasonable political thinking behind us, so that we can fuse, so that we can become solid, because you and I and our children and our children's children – they will have to eat the bread that is provided by the product of the farmers in this province. It is true that you cannot live by bread alone, but it goes a long way.

I like to treat everybody the same; I don't care whether he is a farmer, a professional man, a business man, a miner, a bricklayer or anything else. After all is said and one we are all human and we have to look at it in that light, and I say to you fellows: we have to get some money into the pockets of our farmers so that their families can live happily and

comfortably like you and I do.

I will support the motion.

Mr. Loptson (Saltcoats): — Mr. Speaker, I beg leave to adjourn the debate.

(Debate adjourned)

NATIONAL HIGHWAY POLICY

Moved by Mr. Feusi (Pelly), seconded by Mr. Berezowsky (Cumberland):

“That this Assembly request the Provincial Government to recommend that the Government of Canada adopt a comprehensive National Highway Policy to meet national needs in the fields of economic development, transportation and safety.”

Mr. Feusi (Pelly): — Mr. Speaker, the topic of this Resolution is of widespread interest in the Canadian nation today, particularly in the western provinces where mileage of highways is a problem with the small population to foot the bill of the miles of road needed. We have had, within the past few years, a programme of Federal aid for highways, a programme dating from 1949, that will terminate in December of 1956. That has been the only stable or organized programme that we have had from Ottawa. Prior to this programme Ottawa's aid on roads has been more or less piecemeal and spotty, Mr. Speaker.

The Trans-Canada Highway Agreement came into effect in 1949, and to date the majority of it has been completed, or is near completion. Saskatchewan's share of the Trans-Canada was 449 miles, and I believe there are some 40 to 50 miles yet to work on. The programme was on a 50-50 basis approximately, with Ottawa sharing just a little under the 50 per cent cost.

Ottawa's commitment on this project, Mr. Speaker, was not to exceed \$150 million, and it has averaged from \$12 million to \$13 million a year, across the Dominion. Because of the fact that some of our provinces are delinquent or are considerably in arrears in the completion of Trans-Canada, Ottawa has proposed a stimulation of the scheme as of last November, which will take place this year, and continue to the year 1960. The purpose of this stimulation is to get into being a national road across Canada at as early a date as possible. This stimulation by Ottawa meant that Ottawa was going to provide 9- per cent of the costs of the remainder of a portion of Trans-Canada, and this offer was to stand up until 1960.

The newspaper of last November did pick up the Conference between the provinces and the Federal Government and some of our Saskatchewan newspapers had very pertinent items in connections with the Resolution and in connection with the Trans-Canada Highway Agreement, and I would like to quote the 'Star-Phoenix' of November 14, 1955, and it reads as follows:

March 1, 1956

“The Trans-Canada Highway will certainly not be finished by the end of next year. (meaning 1956) But if it is to be finished within a reasonable period a new Federal approach would seem to be required. It is strange indeed that though Ottawa has followed a definitely national policy with respect to railway construction, it has been much less enthusiastic about a cross-country highway link. Yet in economic as well as in spiritual terms a good highway across the country would probably have as much nationalizing influence today as the laying of steel from coast to coast had half a century ago.”

Now, Mr. Speaker, a national highway policy would mean considerable to Saskatchewan. The province of Saskatchewan today has probably the greatest road mileage in comparison with population of any province in Canada. We are familiar with the figures of 38 per cent of the road mileage and seven per cent of Canada's population having to foot the bill here in Saskatchewan. Our road mileage is, I believe, in the vicinity of 150,000 miles, of which 8,300 miles are on the highway programme, and 12,000 miles we hope to get into a road grid before too long.

Mr. Speaker, because of this great road problem that Saskatchewan has of serving her settled portions, there hasn't been too much development in the north, and I would just like to call to the attention of this House the difference in assistance given by outside agencies such as the Federal Government in the neighbouring provinces, which has not been given to Saskatchewan in transportation development in the north. I would like to turn to a map. I have been unable to find a map that would show the western provinces with both the railroads and the highways, and I just have to quote from figures obtained from the Library. I would like to show the advantages that Alberta has and Manitoba has in the opening up of the northern parts of their provinces through the railroads, a form of transportation.

In Alberta today, from Edmonton to Dawson Creek there is 495 miles; from Edmonton to Waterways, 305 miles; McLennan to Hines Creek in the Peace River area, 106 miles; and Edmonton to Athabaska, a further 100 miles – a total of 1,006 miles that Alberta has that helps in the opening up of the northern portions of their province, and takes a considerable load off the people of the province of Alberta that we have not in the province of Saskatchewan.

Now turning to Manitoba on railroads: from The Pas to Churchill, 510 miles of railroad; The pas to Lynn Lake, 241 miles; and The Pas to Flin Flon, 97 miles – making a total of 842 miles of railroad in Manitoba which helps that province in its northern transportation problem.

We have not got that in Saskatchewan, Mr. Speaker, and I mention these things because I find many of our Liberal speakers go across the province today and bemoan the fact that much of our northern Saskatchewan trade must have to go through Alberta and through Manitoba. There is a tremendous fallacy in their argument, and if they just followed the practice of the public school boys who look in an Atlas, they will find the facts and the figures of the railroads and the highways before them.

In highways, Manitoba obtained with the aid of Federal grants the Flin Flon highway, a strip of some 200 miles, and Alberta has the Alcan highway, a war emergency road, that is a considerable boost to that province; and the amount of Alcan in Canada is 1,221 miles, in the provinces of Alberta and British Columbia, and the Yukon, and the road system there has helped tremendously in opening up the northern reaches of those provinces, and has been instrumental in taking a load off the backs of those provinces.

Saskatchewan had to stand on her own feet, and Saskatchewan has built 108 miles of road to Lac la Ronge. I find also that there is a tremendous mileage of forest management roads that the province has built, all at the expense of the people of the province of Saskatchewan. I believe the Minister of Natural Resources quoted yesterday some facts and figures as to the mileage that the Department of Natural Resources had built in the northern reaches of Saskatchewan.

A year ago, I asked a question in this House, Mr. Speaker, on an Order for Return, asking for the aid that has been given northern Saskatchewan in transportation, both from the Federal Government and from the Provincial Government, and I received this reply:

“Question (1) The aid Saskatchewan has received from the Federal Government for each of the fiscal years 1944-54 for the construction of roads in the northern provincial forests.”

These are the forerunners of our highways into the North, Mr. Speaker, and I found that the answer from the Department of Natural Resources was that Ottawa assisted in the building of a road from Uranium City to Lake Athabaska, and in the two years of 1951 and 1952 the Federal aid amounted to \$75,582.76. The expenditures put out the Department of Natural Resources of this province in road in northern Saskatchewan reads as follows: In 1944, \$2,035; in 1945, \$20,000; in 1946, \$49,421; and so on, until the last year that I have on record here, 1954 - \$106,974; making an overall total of expenditure by the province through the Department of Natural Resources in the northern road development of \$1,309,540.28. If we compare these figures with the Federal expenditures in northern Saskatchewan, you will find that Saskatchewan's expenditures were \$17 to every dollar spent by Ottawa in northern development of road transportation.

Another question, No. 3, that was asked: The number of airfields constructed for the fiscal years 1944-54 in northern Saskatchewan, and we find there was one built at Uranium City, and that was a Federal Government project, and the number of airfields constructed by the Provincial Government was eight, Stoney Rapids, Snake Lake, La Ronge, Cumberland House, Ile a la Crosse, Buffalo Narrows and La Loche, plus an emergency landing strip at Cree Lake.

Question No. 4 – the number of wharfs, which aids the water transportation, the number of wharfs constructed for the fiscal years 1944-54 in northern Saskatchewan. Under Federal help there were four – Buffalo Narrows, Black Bay on Lake Athabaska, Stoney Rapids and Dore Lake; and under the provincial there were five constructed – La Ronge, Snake Lake, Wollaston Lake and two at Beaver Lake. And so, Mr. Speaker, Saskatchewan

March 1, 1956

has, within her financial limitations, pushed transportation development into northern Saskatchewan.

I would like to check another angle of our road situation, and that is to make a comparison of what is done in the United States, with their road scheme, in comparison with that of Canada. These are some figures that follow along the same figures given, I believe, in this House, by myself last year. These figures come from a report from the United States Bureau of Public Roads, and is dated 1955. The United States have their roads classed into four groups, and I would like to list them as much.

Their primary road system, which is the equivalent of our Trans-Canada, comprises well in excess of 200,000 miles; to be exact 216,246 miles of rural highway that falls in their Trans-United States system, and 17,902 urban that fall within the city limits. During 1955 Washington (that is the United States of America) spent \$247.5 million in aid on Trans-American roads equivalent to our Trans-Canada highway; and in 1956 they anticipate spending \$315 million. On their secondary highways in the United States, such as rural mail routes, market roads, school bus routes, a system of 507,676 miles, in 1955 the United States of America spent \$165 million. They anticipate spending in 1956, \$210 million.

Their third system of roads known as additional urban aid in primary systems, and this is on a 50-50 basis – in 1955 the United States government spent \$137.5 million. In 1956, they anticipate spending \$175 million, and this is mostly in aid to transportation in and around cities, and would deal with such traffic disposal systems as clover leaf, expressways, freeways and by-passes.

Their fourth type of road system is probably the most important, and the one with the heaviest traffic, and is known as Inter-State highways. These are inter-city and border connections and road connections between industrial centres and the system comprises some 37,682 miles. In 1955 there was \$25 million spent on this road system and they anticipate, in 1956, \$175 million shall be spent. And on this latter group, Inter-State roads, the matching basis is \$60 Federal for every \$40 put up by the State. The amount of money I quoted there was the amount of expenditure by the Federal government. So that means, Mr. Speaker, a total Federal aid from Washington to the states of America, or to all America, in 1955, on their road systems, amounted to \$671,230,960. It will go up in 1956. They anticipate spending \$875 million on the road systems of the United States this year.

If we check the records, Mr. Speaker, the expenditures by the Government of the United States of America approximate the revenue collected through the automobile industry. In a comparison with Canada, Ottawa spends each year on Trans-Canada between \$12 million and \$13 million – a grand total of between \$12 million and \$13 million across Canada that Ottawa has spent yearly in assistance on roads. The United States anticipates spending \$875 million this year. Ottawa has collected throughout the years on average of \$150 million through excise and sales taxes on cars, trucks, tires, etc., those taxes in connection with the automobile industry. Now if we take the \$12 million to \$13 million that Ottawa

returns to the provinces in aid on roads, you will find that Ottawa's share is not even 10 per cent of the collections that she has made through taxes on the automobile industry; and that is a very sore spot. Ottawa will spend more though, in the years 1956-60. They will up this \$12 million to \$13 million (the assistance to the road scheme of Canada) by a considerable amount, making their total payment roughly around \$30 million yearly during the next four years, to stimulate the completion of Trans-Canada.

A second comparison I would like to make is between the State of Montana and the province of Saskatchewan. They are very similar, Mr. Speaker, in topography and in population and in road mileage. In fact, Montana, I think, has approximately three-fifths of the population and has three-fifths of the road mileage of Saskatchewan. They compare very favourably in the facts that we would like to use, that is the population and the road mileage and topography.

Now the Federal aid funds – and again these figures come from the Annual Report of the Bureau of Public Roads for the fiscal year 1955, in the United States. The aid that Montana received from the government of the United States for roads again are broken up into the various groupings I listed earlier under the aid given to the nation as a whole. Here is Montana's share on primary roads, that is equivalent to our Trans-Canada. Montana received in 1955, \$5,631,588. On her secondary roads, the bus routes and so forth, rural mail routes, Montana received \$3,425,226. On urban roads, roads of assistance within the city limits, \$333,948. On inter-state roads there was no assistance in 1955, but there was assistance on a defence road to the tune of \$23,506, making a total that Montana received from Washington of \$9,422,813. If we compare that with Saskatchewan's aid from Ottawa, Saskatchewan receives approximately \$2 ½ million yearly. Yet, if we look at Saskatchewan, the expenditure Saskatchewan has made during the past few years, averaging on her road systems, of about anywhere from \$17 million and \$18 million to \$20 million per year it corresponds with the collection that Saskatchewan has made in the revenue derived from the automobile industry, such as gas tax and motor licenses.

So we can see, Mr. Speaker, that the provinces have not received a fair deal from Ottawa, if we compare the figures with the United States. It is only fair that the expenditures be made in comparison with the revenues derived, and it is very important these days, when more and more of our traffic is rolling on rubber. The transportation burden is yearly getting greater and greater, and the burden is becoming too difficult for some of the provinces to foot the bill for a modern road system, and it certainly is too great a load for municipalities who cannot cope with the modern needs of transportation within municipal boundaries.

I would like to quote another item from the 'Star-Phoenix' which again bears out the broad meaning of this resolution. This is from the 'Star-Phoenix' of November 14th last:

“A national highway policy ought not to be limited to the completion of one cross-country artery, however, nor even to two such highways. Most of our most important highway routes run north and south rather than east and west, and many of these must by extended still farther

March 1, 1956

north if the promise of our Canadian Northland is to be realized. The provinces lack the revenues to provide adequate highways in their areas of established settlement, let alone to push roads into new territory. The Federal Government has much greater financial resources on which to draw, and the Federal Treasury would share with Provincial Treasuries the benefits which would flow from increased traffic on improved highways and the opening up of the North to industry and to tourists.”

In closing, Mr. Speaker, I would like to state that the resolution simply calls for a nation participation in Canadian development by assistance in an overall transportation scheme. Ottawa collects the major finances for our roads; Ottawa should, and must, contribute fairly, and share in a broad national road plan.

I therefore move, seconded by the member for Cumberland (Mr. Berezowsky) the resolution standing under my name on the Order Paper.

Mr. W. J. Berezowsky (Cumberland): — Mr. Speaker, I would like to commend the member who just preceded me. He has done a wonderful job of presenting the case for the people of Saskatchewan and the people of Canada, insofar as road problems are concerned.

I would like to open my remarks by quoting an article that appeared December 21, 1955, in the ‘Leader-Post’ headed “CAA Urges New Federal Road Development Setup.” The article says:

“The Federal Government was urged Tuesday to adopt a whole new programme for highway development in Canada, and back it with the resources of the Federal Treasury.

“The suggestion was made by the 43,000 members of the Canadian Automobile Association in a brief presented to the Hon. Robert Winters, Public Works Minister.

“The brief said ‘Canada is a nation on wheels, but the Federal Government does little to keep the wheels in motion’.”

It goes on in this brief to say that: “The Federal Government should assume more responsibility”; as was pointed out by the mover of the resolution.

Now, Mr. Speaker, as a Canadian citizen and a citizen of Saskatchewan, I recognize that although we may have the finest human resources in Canada, yet the standard of living of the people of Canada and their life depend tremendously upon the natural physical resources of our country, whether it is in the field of agriculture, mining, or whatever it may be. In order to get the greatest benefit for the people of Canada, as well as for those who have invested money in Canada from foreign countries it appears urgent that we have the best possible transportation communication system.

We in Saskatchewan know that at least two-fifths of our province has forest and mineral potentiality. North of this province we have the Northwest Territories. To the west and to the east in the northern area we have tremendous wealth, natural wealth, that cannot be valued in millions but in billions. As far back as 1867 the first Senate Committee recommended that the Government of Canada should look to those resources and their possibilities, for in them were contained a future for the people of Canada. Now that is a long time ago, it is nearly 100 years ago, Sir, and yet as I look at the picture of the North I see not too much development at this time, due to lack of access roads.

As the former speaker mentioned, there have been 1,221 miles of highway built, probably as a defence project. That is all to the good for the project helped open up areas where there are natural resources. There were other roads built, as has been pointed out. I find also that there has been some precedent in assisting mines and provinces to build access roads and development roads, and that is what I particularly want to discuss here today.

I notice on going through the estimates for Canada for the year 1957, that on page 415, a contribution to the extent of (I will give it to you later, Mr. Speaker); a contribution for the cost of constructing a resources road between the settlements of Elsa and Keeno to serve the various mines in the area was voted, in accordance with the terms of an agreement between Canada and the United Keeno Mines Limited. The estimates for 1956-57 are \$75,000, and the estimates for 1955-56 are \$150,000. There are a few other accounts in the estimates; on page 427 of the estimates for the fiscal year ending March 31, 1956, near the bottom of the page, you will find that the contribution of 50 per cent toward the cost of construction of a mining road from the Alaska highway to the property of Cassiar Asbestos Company is shown to be in accordance with the terms of an agreement between Canada and the Cassiar Asbestos Company; and as you go through these estimates you find others. The thing that struck me is that those particular companies in that particular area, both the Keeno Mines and the Cassiar Asbestos Company, who apparently have a mine up in the Northwest Territories, or British Columbia, that a road was built for them and the President and Vice-President of the company happens to be F. M. Connell, with W.H. Connell Vice-President. The other mine for which a road was built, and I think also a road to a power plant, for the United Keeno Mines Limited, have as their President F. M. Connell, with W. H. Connell as Vice-President, and they are connected up with Con-West Mines. It is rather strange that all the assistance given in that particular area should go to mines that are apparently owned by the same group of people; at least the President and the Vice-President are the same people. Yet I didn't see any other mines assisted with mining road grants, and it made me wonder why.

One other precedent was set. Some times we hear it said that, after all, roads and bridges in the province are the responsibility of the province. Yet, it is not quite so. Just not so long ago, Mr. Speaker, you will note that in Nova Scotia, to connect the mainland to the island (Cape Breton), the Dominion Government spent \$19 million for building a causeway. I know the people of Nova Scotia couldn't build it themselves and I recognize that it is worthwhile. The Dominion Government should be commended

March 1, 1956

for giving that particular assistance to building that causeway as a national venture, but after all it is \$19 million, and I could not help but that what we in Saskatchewan could have done with \$19 million, not just build a causeway, but we could have built a tremendous system of highways into the north, as has been suggested by the former speaker, and has been suggested by various groups in Saskatchewan, to provide access to the resources that we own in this rich province, and open them to development.

I suggest it would have been a very wise thing for the Dominion to be as generous to the province of Saskatchewan as it has been to the province of Nova Scotia, because, after all, I do not think anybody will disagree that in the final analysis it won't cost the Dominion Government a cent. I am not an economist; we know that once you circulate money the Dominion Government collects taxes, and every time it is circulated, so much of it goes back to the Treasury, until eventually all of it gets back there, except that which is hidden banks or vaults. But here is what it would have done by opening up the mineral wealth in the north. We know that the Federal authorities would have collected from 40 to 50 per cent of corporation tax on the profits made by those companies, and I am quite sure that with the kind of development that we would have it wouldn't take too long for the Dominion Government to get their \$10 million, \$15 million or \$19 million back. As I pointed out some time ago (I think it was three years ago, Mr. Speaker), on mine alone, I think paid in one year to the Federal Treasury somewhere around \$11 million in corporation tax.

At the same time I might also point out that I think the province of Saskatchewan should contribute some small amount, or fair share (if you want to put it that way) towards constructing some of these northern access roads, for the simple reason that we too would benefit from royalties, and probably we should give some consideration to see that more wealth is opened up for the benefit of the present generation and future generations.

There is one point that I would like to point out, Mr. Speaker. Originally, when the British North America Act was set up, at that time, of course, nobody visualized the tremendous traffic by way of vehicles that we have today. It was the day of oxen and horses, and it was established that after all road building should be the responsibility of the local communities or the provinces. Today, the situation is quite different. Today and every day you see trucks passing through the province of Saskatchewan from Ontario, British Columbia and other parts, moving in all directions. They go north and they go south. Today the road problem is not a local problem, it is not a provincial problem; the road problem is definitely a problem for the country as a whole. And, as I said, the same thing applies to the development of natural resources. If we are going to have a prosperous Canada we cannot just consider ourselves in Saskatchewan as a closed area; we have to have it opened up to all of the people in Canada, and whether it is for the sportsmen or just for the purpose of the development of minerals or forests or whatever it may be, I think a large share of the responsibility lies on the shoulders of the Federal authorities.

There is one other point. The members opposite here, on many occasions have indicated in speeches that we are not contributing enough towards other services, and one of the reasons why we cannot do this is because we have to spend money which the Federal Government should be spending in opening up access roads into the areas that contain wealth. If that money were not spent for that purpose, then whether it is \$100,000 or \$1 million, we would have that much more to put into education or other services, which are assumed to be more the responsibility of this province.

Now, going back to what I said about the change that we have undergone, a kind of transition from the day of the horse and buggy to the present mechanical age. I think that the Federal authorities should be told (and that is what we are doing right now) that after all they should consider transportation and communication just as important as they considered it after Confederation. For the good of Canada in those days the Dominion Government assisted the Canadian Pacific Railway and other railways with tremendous grants of land. I think somebody at one time mentioned about 55 million acres of land, together with all the mineral resources that we have underneath. They gave them straight money grants; they gave these companies loans. They did everything possible to help these companies to put this transportation system through Canada. Is not now the situation just as parallel when you come down to the need for roads? Are not the roads and highways in Canada just as important today as the railway was 100 years ago, or 80 years ago? I say, Mr. Speaker, it is. If we are going to have the kind of transportation and communication this country needs, and if we are going to have the kind of development we are entitled to, and future generations are entitled to, then we must have those roads and highways.

I say this, Mr. Speaker, if we do not act quickly we are going to be left behind. We will become, in time, a backward nation that is going to be exploited by stronger nations, and it is already being done today. References have been made on previous occasions that 85 per cent of the exploitation of the natural wealth of Canada is in the hands of many people from other countries. It is a bad situation, and the only way that we can correct this situation is to see that that wealth is opened up to our people and to give some confidence to the people of Canada, so they would invest in their own industries.

I would say in conclusion that I believe that a country is as good as its people. If you have a well educated society, you have a fine country. If you have good natural resources, there is a possibility of having a high standard of living; but you cannot have that high standard of living unless wealth is exploited, and we cannot have the kind of development that we as Canadians visualize, unless we have the proper transportation and communication system. And, therefore, I will support the Motion.

Mr. H. G. Dunfield (Meadow Lake): — I am pleased to take part in this discussion, because I am in full agreement with the motion. I would like to point out that there are a few things this Government could do in the way of northern roads. During the 'thirties, those desperate years, a delegation of us approached the Government to start No. 4 Highway north from Meadow Lake. We had two reasons in mind. One was to give immediate work and wages to many people who had come into the north

March 1, 1956

country and who were not adaptable to farming or ranching and who needed some other form of income.

Notwithstanding the shortage of finances at that time the Government did build in those years some 50 miles of Highway No. 4 north of Meadow Lake. Since then this Government has, through its Department of Natural Resources, pushed a fairly good road north 50 miles further on toward Buffalo Narrows, and it has been very much appreciated, but it will only carry a limited amount of traffic. We have asked repeatedly that the last 50 miles of road be finished into Buffalo Narrows, if only as a winter trail

We had in mind, years ago, not one the immediate work programme for those people, but we had in mind the possibilities of quick access to the southern edge of the pre-Cambrian shield. In 1938 I was in Goldfields just to see what was going on. I have lived in northern areas a long time, and if any new developments arose I liked to see what it was all about. I was in Goldfields in 1938 and I asked there, their opinion of the possibility of this highway being extended to Goldfields then. They said it probably wouldn't be feasible nor economically sound, insofar as they were concerned up there, but one of the engineers made this statement, which I thought was of very great value. He said, "We are making discoveries in northern central Saskatchewan, in the Goldfields and surrounding area, because easy access by water to this particular area," but he said, "We know that there are just as great opportunities, just as much chance of finding values almost anywhere in the great storehouse of wealth that we have in the Canadian shield, and by all means push your road north as quickly as you can, to the southern edge of the shield, because if you do, then exploration will be made much easier than it is now into the great area just north of Buffalo Narrows, which is very close to the southern edge of the shield.

That has been our dream for many years. Just a short time ago a few citizens of Meadow Lake decided to try to locate a winter road into Athabaska, because last year at freeze-up some 5,200 tons of freight were left at Waterways – freight that was greatly needed in Uranium City. The Eldorado Mining Company flew in some 4,200 bags of cement. That was quite possible, and quite a sound proposition for them as they have extremely high profits from their operations. But the shortage of goods for some of the people up there because so acute that the people of Uranium City really gave some thought to a winter road, and they proposed (since most of their affiliations are with firms in Edmonton) a winter road directly paralleling the southern border of Lake Athabaska, but they didn't know the country as we do. Such a road is utterly impossible, because from Buffalo Narrows, a short distance to the west, there are some 42 rivers and creeks running northwest to Lake Athabaska, and a road along there would just be a series of ups and downs. Going to the east a short distance from Buffalo Narrows you run into enormous muskegs and sandhills, and into the raw, bare rocks – small mountains; but we have known for a long time that directly north of Buffalo Narrows, which is also directly north of Meadow Lake, is a type of terrain which we believed was suitable for a winter road if not a summer road, when conditions warrant it.

A few weeks ago four men from Meadow Lake rigged up what we term a 'swamp bug'. The difference a swamp bug and a snowmobile

is that a swamp bug has much wider tracks and can go over almost any depth of snow. This swamp bug had been hauling fish from a point. I believe, about 160 miles south of Lake Athabaska to Buffalo Narrows. We were quite sure that it would be possible to go straight through. One of the very few white men who has travelled that country by canoe and on foot told me just about two months ago that he knew definitely there was nothing in the world to stop a winter road being found from Broach Lake to Uranium City. I had written the Hon. Minister of Natural Resources (Hon. Mr. Brockelbank) about this, and I quite agree with him, too, that it is economically unsound to consider building a summer road at the present time, but a winter road requires very little construction. As I announced the other day, it was a matter of great pride to the people of Meadow Lake anyway, that four of their young men would spend their own money and risk their own lives, in that attempt to locate a road across 160 miles of barren country.

It is not quite as barren as some people think. This flier and ex-trapper, whom I know very well, said that during his trapping experiences through that country, years ago, and coming down the various rivers and creeks in canoes, he found it one of the most beautiful areas in western Canada. There is sufficient tree-growth there to protect a road from most of the winter drifting, and there is just this one comparatively narrow strip, probably varying from 50 to 100 miles wide, straight north of Buffalo Narrows that would be ideal, in his opinion, for either winter or summer construction.

In Alberta many years ago, that Government built a road 400 miles long, or more, just for the fish business emanating from Slave Lake. It is a very heavy producing lake. That road now has proved to be of immense value because it is led right into the unbelievably rich lead and zinc fields around Pine Point.

I would like to say again, Mr. Speaker, that I think, though I am in full agreement with this and will certainly support the motion, I think that we in Saskatchewan could give a little more thought and a little more attention to opening up opportunities in this great northern area of our own.

Hon. J. T. Douglas (Minister of Highways): — I am very glad to have the opportunity of saying a few words on this very important question. As a matter of fact, none has been quite as close to my heart for a number of years. I realize that it is very difficult to carry on a discussion to carry on a discussion on the full scope of this resolution; it is rather a wide one, but what I am going to say this evening will be confined almost completely to the need for Federal aid to our highways and roads in Saskatchewan.

To get to the basis of the need for Federal aid in this province, all one has to do is to turn back to the Annual Report of the Department of Highways and Transportation for the year ending 1943-44. I have this on my desk, because not long ago I read in the local paper a statement made by one of the members of this Legislature that the Liberal Government had built a highway system of over 8,000 miles while they were in office. I want to say that this is not correct, because here is the

March 1, 1956

record as of April 30, 1944. During the time they took office there were not too many miles of road built, so these figures are accurate. At what time I find that they had some grades constructed to standard, but not surfaced – 2,270 miles; and they had some grades constructed to standard and surfaced with untreated gravel, 4,872 miles; and they had 138 miles that were surfaced with bitumen and gravel, but they has almost 700 miles of that area that was not touched at all, except possibly for putting up a few highway signs.

So that is the basis for the need of Federal aid in this province. Now, in addition to the small mileage which has been constructed which I have given you, most of these roads were worn out by 1944, and as I have told this Chamber before, were in need of reconstruction. It has been intimated by the member from Meadow Lake (Mr. Dunfield) that possible the province has not done too much since we have taken over. I want to remind this House that we have reconstructed over 5,000 miles of the provincial highway system, and I also find that during that time we have (and this was at December 30, 1954); the figures I am going to quote are up to that date. At that time, the province of Manitoba had a total of 1,013 miles of road that had a bituminous surface or cement. In 1944 they had 546 miles of bituminous surface; so in that period from 1944 to December 31, 1954, they increased their mileage by a bituminous surface road of 467 miles.

Saskatchewan, during the same time, increased their mileage by 1,006 miles and Alberta increased theirs by 947 miles, so the record we have in this province is not a poor one, particularly when you compare the money which we have had to spend on highways with that of our two sister provinces. But, in spite of all of this work, in spite of all we have done, there is still a tremendous amount to be done, as has been pointed out by the mover and the seconder of this resolution.

Last fall when I attended the conference in Ottawa of the Dominion and the provinces, trying to find ways and means of speeding up work on the Trans-Canada highway, in the submission which I made at that time, I pointed out the need for Federal aid because of certain conditions. One is that the expanding role of the motor vehicle in the social and economic life of the nation made it imperative that the Federal Government do enter this picture to a larger extent than they are doing at the present time; and due regards to the prompt responsibility on the part of the Federal Government in the development of a national highway designed to weld the provinces of our far-flung country more closely together and an adequate concern for the needs of the provinces in relation to their prime responsibilities for the roads and highways within their borders. Because, as I pointed out at that time, until the Trans-Canada highway is completed, a system in which some of the provinces at least, and we were one, that did use up a great deal of our provincial revenue to try and live up to the agreement which we have signed with the Federal Government; namely, to construct that highway by December, 1956, it would be difficult for the province to meet other than that highway obligation. I want to say, Mr. Speaker, that of all the provinces in Canada, Saskatchewan leads the way in the percentage of work that has been done in regard to the Trans-Canada Highway.

Now, I pointed out at that time also that one of the inducements to getting the Trans-Canada Highway completed as early as possible would be for the Federal Government at that time to announce that they were prepared to make a proposition to the provinces whereby they would commence a comprehensive programme of highway construction not only for just the Trans-Canada Highway, but for roads of national and international importance. If the provinces had that assurance from the Federal Government, then we would be in a better position to plan our other works; we would be in a better position to know the other roads on which we could spend provincial money.

I also want to say that while I was very glad to sign the agreement at Ottawa, getting their assistance on 50 per cent of certain costs of the Trans-Canada (not all of the costs), I knew at the time it would require a lot of money from the province that would be needed for other roads. At the time we signed the agreement, I pointed out that in my opinion, the Trans-Canada Highway should have been a Dominion responsibility for its construction costs, and while again I was very glad to have their belated increase to 90 per cent of the cost, I would like to remind this House that that only represents about three per cent extra on the overall cost of the Trans-Canada Highway.

So there is, as has been pointed out by former speakers, a very great need for Federal aid if we are to take our rightful place in not just Canada but on this continent, because the American Federal Government has, since 1916, been making very large contributions to the federal states, not just for the primary system of state highways, but they have been making contributions to the urban centres, and particularly to what they refer to as their farm-to-market roads in the United States. Until our Federal Government is prepared to take a realistic view of this matter, we are going to have the situation, as pointed out by former speakers here this afternoon. We are not going to be able to give the people of the province the services which they require, particularly in view of the rapid development that has taken place in the mechanism of our farming economy.

I want to point out that the use of the truck, which has become necessary because of this mechanism, is placing a burden not only on the municipalities of this province but also on the province, and we are finding that this change has been so rapid that it is taxing the financial ability of both the province and the municipalities to provide roads for the use of our trucks. The trucks are here to stay, and they are playing a most important part in the development of this country. We must recognize the fact that they are here to stay, and we must recognize the fact that we are going to be required to build a much higher standard of road than we thought was necessary even 10 years ago.

I have on my desk the report of the W.A.S.H.O. test in the state of Idaho, and when you read the report and realize the beating that roads take because of truck transportation, and read the recommendations which those who are in charge of the test are recommending, you will realize that we have got to be prepared to spend a great deal more money than we are spending now, if we are going to provide roads to carry the truck

March 1, 1956

transportation which we not only have today, but which I am quite sure is going to increase as the years go on, because it is very noticeable that since 1944 the number of trucks in this province has increased by over 142 per cent. That gives some indication in that type of work.

There is another factor which makes for greater need of federal aid, and that is the fact that Saskatchewan is becoming a corridor province as far as truck transportation is concerned. We have a lot of trucks. Today you can enter Saskatchewan at the Manitoba border and drive possibly all the way through Saskatchewan without buying a gallon of fuel; at least very little. The same is true of trucks coming to this country from the United States. They travel up to Regina from North Portal and back again without spending a single dollar for fuel. In other words, we are carrying that heavy traffic without getting any recompense at all from these foreign cars and trucks, and for that reason the Federal Government should assume some responsibility for now announcing a comprehensive programme of aid for highway construction.

It is quite true that the agreement which has been offered to the provinces, and I expect will be signed by most of us, does extend the length of the Trans-Canada agreement to March, 1961. But for those provinces, like ourselves, which hope to finish that road much before that date, I say it is going to be most unfair to us, if they do not now, when this is brought up in the House of Commons, be prepared to make some announcement that they are going to proceed with a further agreement with the provinces to assist them in this very important work with which we are confronted.

There is much more I could say about this, but I do not want to prolong the discussion, and I also want to make mention a few of these facts when I speak later on in the Budget Debate; but I just want to give my support to the resolution which has been brought forward here today.

Certainly if we are to take our place with the other provinces and with the States across the line, then the time is now overdue for the Federal Government to make some contribution, particularly when we realize that they are collecting from the highway users of this country a great deal more money than is collected by the provinces when we collect our gasoline tax and our car licenses.

I think it was pointed out here today that the revenue which Ottawa receives from one source alone amounts to over \$150 million a year, and that source is the tax on cars, sales tax and the excise tax; that tax alone brings in a total of \$150 million a year.

Mr. Speaker, with those few remarks I want to say that I am very pleased to support this resolution.

Hon. J. H. Brockelbank (Minister of Natural & Mineral Resources): — Mr. Speaker, before the vote is taken on this question, I would like to say just a few words, because I think that this question of transportation is very fundamental, not only in the southern part of the province, but also in the north of the province as well. It is not roads alone, but there are other forms of

transportation in the north will play a very important part for many years to come. As a matter of fact, some of those forms of transportation, I think, will probably never be displaced by roads, and it is very doubtful if they will ever be displaced by railroads either.

One good example is the water transportation down the Athabaska River from Waterways, Alberta, to serve all of the far north in the Territories, and the northern part of Saskatchewan. More attention should have been given to this highway transportation at an earlier date, because last year a bottleneck developed there, and the freight could not be handled over that system of transportation. Strong representations were made by the people concerned, and I had my say, too, with regard to that question, and steps are being taken now to increase very substantially the number of barges and boats operated by Northern Transportation Company, which is a Crown corporation – a subsidiary of Eldorado Mining and Refining Company. Also I hope that everything possible will be done by way of dredging, by way of supplying navigation aids, so as to enable the barges to travel on the river at night, as well as in daylight, and that the situation will be investigated to find if it is possible, by some programme of water control, to eliminate periods of very low water on the Athabaska River. This low water, of course, very seriously interferes with transportation.

The building of wharves is also an important item, but in this day and age, the building of air-fields is most important, and I believe that we can be justified in asking the National Government to make a substantial contribution to that work. We have received some help. We received during the last year some help on Lac la Ronge, and hope to get some more work done on it during the coming year; but in an area as large as that from Lac la Ronge to Stony Rapids and Uranium City, there is need for an intermediate landing field of good enough quality to handle at least planes the size of the DC-3, and at the present time we haven't got that. The field at Stony Rapids was built by the Provincial Government.

Now, in regard to roads in the north. We were of the opinion a few years ago that the Federal Government had announced a policy under which they were, or would be willing, to share the costs of construction of mining roads. We did get a sharing of the costs between the mining company, the Federal Government, and the Provincial Government for the construction of the mining road (which is a portage road) between the eastern end of Lake Athabaska and Black Lake, a distance of about 14 miles.

Then when Eldorado Mine was being established near Uranium City we did get help from the Federal Government. The mining companies put up some money, and the Federal Government put up some money, as well as the Provincial Government, but it was the mining companies and the Provincial Government that carried more than their share of that expense. In this particular case, I often thought that as the principal mining company in the area at that time, which required a road, was a company owned by the Federal Government, it was not a case of the Federal Government helping the province to build a road but rather the province helping the Federal Government to build a road which they absolutely required.

Now, I have no objection, and I am not sorry they did that, but since that road was built, we have made a number of applications together with mining companies, to get assistance on comparatively short roads,

March 1, 1956

roads which run into a cost of a good many thousands of dollars, and we have not been successful in getting help on one mining road since the Eldorado road was built. I do not think that is a good policy. I do not think it is good business for the Federal Government, because not only does the Federal Government receive very substantial revenue in its taxation on cars and trucks, but it receives very substantial revenue on its taxes levied on mining companies.

The Hudson bay Mining and Smelting Company will, I believe (and I admit that this is a guess) pay in one year to the Federal Government in corporation taxes some place between two and four times as much as they pay to the Provincial Government in royalties. They issued a statement a short while ago; it was at the end of nine months that their profits after taxes were around \$9 million. If that is the case, you can imagine they have paid pretty substantial revenue to the Federal Government. Looking it from a national point of view, it is the best of business for the nation to get additional mines, and to get further revenue like that coming into the Federal Treasury, so I do not think we are being unreasonable in suggesting that it is good business for the Federal Government to get mines developed.

The hon. member from Meadow Lake (Mr. Dunfield) mentioned that Eldorado flew in a large quantity of cement, and they could do that on account of high profits; that they got the profits. Those profits are not just taxed by the Federal Government, but all belong to the Federal Government.

So I am very happy to support this motion, and I think it is most important from a national point of view that we do have a more up-to-date and practical and effective policy on a national basis, in regard to transportation. We have seen that kind of a situation in other parts of Canada, where it has cost ten times as much as the sums we might think about in our situation. The Great Lakes Navigation, the Welland Canal, the St. Lawrence River and ocean ports, the Canso Causeway — it is recognized that transportation is of national importance, but I think we have got to have a policy in transportation that does recognize all parts of the country, whether they happen to be on the ocean, whether they happen to be in central Canada, or in the centre of the western part of Canada, as we are. Mr. Speaker, I will support the motion.

Mr. S. H. Carr (Rosthern): — I do not wish to say very much on this motion, Mr. Speaker. I am certainly in favour of a comprehensive national highway policy, but there are a few things I feel haven't been made clear in this debate. The hon. member from Pelly (Mr. Feusi) indicated that in his opinion the Federal Government should provide more money for highways.

Now we, in Saskatchewan, would like the Federal Government to pay more money for a lot of things. Under the Tax Rental Agreement, we get quite a large sum of money. All the provinces that come under the Tax Rental agreement, I believe, got somewhere in the neighbourhood of \$400 million. Now, \$400 million is about the amount of money that is spent on highways in Canada, but if you wanted to twist it around you could say that the

Federal Government is paying for all the highways.

Mr. C. G. Willis (Melfort-Tisdale): — That's nice twisting!

Mr. Speaker: — Order!

Mr. Carr: — Now I did not wish to start an argument, but I just wanted to mention that, to indicate to you that while money can come from the Federal Government, should the Federal Government build highways? They did make a contribution to the Trans-Canada Highway, but the Federal authorities said where the highway should be. I could not be in favour of the Federal Government providing a good deal of funds for highways in Saskatchewan, other than the Trans-Canada Highway, and telling the Provincial Government where the highways should be built. I am certainly in favour of them giving money to the province, additional funds; but I think it should be done under the Tax Rental Agreement, and that the Provincial Government should decide where the highways are to be built – not a national authority.

For that reason, while I am in favour of a comprehensive national highway policy to try and get the provinces to co-ordinate their highways, I am certainly not in favour of the Federal Government telling the provinces where the highways should be built. So that as far as finances are concerned for highways, I would favour the idea that the amount of money paid to the provinces under the Tax Rental Agreement should be increased, rather than they should earmark certain funds to be spent for highways.

With those few remarks, Mr. Speaker, I am pleased to support the motion.

The question being put, it was agreed to unanimously.

The Assembly then adjourned at 5:25 o'clock p.m.