**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**
**Second Session — Eleventh Legislature**
**28th Day**

**Monday, March 27, 1950.**

The House met at 3 o'clock p.m.

## SECOND READING

### Bill No. 47 – An Act to amend The Teachers' Superannuation Act, 1942.

**Hon. W.S. Lloyd (Minister of Education)**: – Mr. Speaker, this is a Bill to amend The Teachers' Superannuation Act. If I remember correctly, this is the third occasion on which it has been my privilege to move amendments to the Superannuation Act which have had the effect of extending the benefits and improving the rate of benefit pay.

The Bill does several things. It provides, first of all, that teachers who take sabbatical leave during the course of their employment, may count that period of sabbatical leave as teaching service under the Superannuation Act. I think it is worthwhile noting that, whereas until comparatively recently, the sabbatical leave privilege was limited to teachers in two of the cities in the province, within the last year two of the Larger School Units have incorporated sabbatical leave as a condition of their agreement with their teachers. That, I think, is rather noteworthy. One of the amendments proposed, then, will make it possible for the teachers to count that sabbatical leave as service for purpose of superannuation. They are expected, of course, to contribute for that particular year.

Secondly, the Bill removes some of the restrictions which were previously there with regard to the counting of war service, particularly as regards service during the first world war. We have put the service in the first world war on, roughly, a comparable basis with service in the Second World War, and the provisions that are amended here are extended in such a way as to include not only people who are actually teaching, but people who may have been in the Normal School or in the College of Education, and who enlisted from those sources.

The provision in the Bill which will be of most interest and of most effect is, of course, that which provides directly for increasing the rate of the pension which may be paid to teachers in the province. It might be worthwhile for the members in the House to just recall something of the history of superannuation for teachers in the province of Saskatchewan.

The first Teachers' Superannuation Act was enacted in 1930, I believe, and continued in force until 1942. At that time, after an actuarial investigation and after a very considerable amount of study and discussion between the teachers' groups and the Government of the day, the old act was repealed and the new Act took its place. There were two main reasons, I think, for repealing the old Act. One was that it was felt that the conditions

of superannuation were somewhat more expensive than could be properly afforded, and the other was that there was a general feeling that the old Act, in providing a pension, put too much weight on the salary which the teachers had earned and not enough on the service of the teacher. So the new Act did two things. It provided, first of all, that the teachers who had been superannuated prior to 1942 would have their superannuation paid entirely by the Government; they were removed, in a sense, from the fund insofar as any financial responsibility was concerned. Secondly, it also decreased the pensions of the people who had previously been on pension. Those pensions have subsequently been increased in two ways. Some two or three years ago we provided a cost of living bonus, and members will remember that, last year, we provided an increase in the formula by which those teachers pensioned prior to 1942, were paid.

In 1942, the new Act established the pension plan in which the teacher was paid in terms of two factors, actually. It said, first of all, there will be what we call an "annuity pension"; a teacher must contribute four per cent of his or her salary, and a teacher may contribute in excess of four per cent either annually or in lump sum, and the accumulated amount of those contributions, when the teacher superannuates, produces a certain amount of annuity. Secondly, there is a pension which is provided because of the service which a teacher rendered, and the principle there is that the amount of service which a teacher has rendered should be paid for at the same rate regardless of where that teacher had taught or in what type of where that teacher had taught or in what type of school or at what salary. In other words, a teacher having taught for a certain number of years and retiring at a certain age, receives a certain amount of credit for that service, regardless of whether that teacher had been principal of our large collegiates or had worked all his or her life in a small rural school. A third factor was that, in order to compensate for two teachers having been in the service some time, who had not had much opportunity to build up an annuity, the Government agreed to pay an annuity fee, which is a percentage of the actual annuity which the teacher is able to purchase, and which is paid because of years of service before 1930, and is non-contributory in terms of dollars.

The amendment of which I am speaking, today, deals only with the service pension. It will be of interest to note that, when the Act was passed in 1942, the service pension was at the rate of $10.40 per year of service at age 60, and that provided, then, at age 60 with 30 years of service, a service pension of $312 per year. In 1944, in the spring, the rate of service pension was increased from $10.40 to $13.00 per year of service so that, at that time, a teacher aged 60 years and having 30 years of service, could earn, as a service pension, $390 per year. In 1945, the rate was increased again, to $20.00 per year of service at age 60, so that the service pension for a person retiring at age 60 with 30 years of service became $600.

The proposal before the Legislature now, Mr. Speaker, is that that rate be increased to $25.00. In other words, the teacher who is 60 years of age and who has 30 years of service may superannuate and receive a service pension of thirty times twenty-five, or $750. In addition to that there is, of course, the annuity fee which his or her own contributions will purchase, and also the annuity fee which is paid because of the years of service before 1930. It will be worthwhile noting that in 1944, whereas the figure was $390 the figure is now $750, or an increase of some $360 per year, which is an increase of approximately 92 per cent in the service pension.

Perhaps we might just get of brief picture of the possibilities of this for teachers if we look at it in this way. Supposing a male teacher starts to teach at age twenty-five and were to teach continuously from that time until he reached the age of sixty; and suppose that he contributed to his pension fund $100 a year for each of those years, we could then, at age sixty, superannuate with a pension of, roughly, $1475 – something over $100 a month, closer to $120 a month. That is, a man age sixty, who had taught since he was twenty-five years old and who had contributed $100 a year, could superannuate with a pension of $1,475.

Mr. Speaker, I think the House needs no urging with regard to this problem. It is one of the ways in which we can compensate members of our teaching staff for the extremely worthwhile service which they perform, which (I think all of us will admit) is not always the best-paid service. The chief reason for a superannuation plan is, of course, to encourage more and more people to remain in the profession, and I believe that one of the best contributions we can make to a profession is to build up the possibilities of adequate superannuation.

I would move second reading of the Bill, Mr. Speaker.

The motion for second reading of Bill No. 47 was agreed to.

## SECOND READING

### Bill No. 71 – An Act to amend The School Grants Act

**Hon. Mr. Lloyd**: – Mr. Speaker, this is the Bill to amend The School Grants Act. There will be other amendments necessary to complete the changes in legislation which have been referred to in the budget debate.

Members will note in this particular Bill, the provisions for increasing, or for changing, the equalization grants. As written here, and added to the present provisions of the Act, it looks rather complicated, but I think, if members will be willing to forget about what the Act seems to say and accept what I try to say, it really is not so complicated. The present formula with regard to rural and village schools is again this: that the equalization grant is determined by multiplying the difference between assessment per classroom and $100,000 by eight mills. In other words, if the district has an assessment of $50,000, has one room, the difference between $50,000 assessment and $100,000 is $50,000, so that the equalization grant is simply eight mills on that $50,000 differential, which, I believe is $400. That is the present basis. If it is a village school with two or three rooms operating and the average assessment was $50,000, then the equalization grant would be that $400 for each classroom. The lowest assessment which we consider is $25,000. In other words, the maximum amount on which we pay the equalization grant is the difference between $25,000 and $100,000, which is $75,000, so that the maximum equalization grant has been eight mills times $75,000, which is $600 per room.

With regard to towns the formula is the same with the exception of the maximum grant allowed. Instead of going down to $25,000, we have made a cut-off at $75,000, so that the maximum for towns has been eight mills on the difference between $75,000 and $100,000, which is $200 per room.

Now the changes proposed in the Act are simply these: that instead of taking the difference between the assessment per room and $100,000, we take the difference between the assessment per room and $105,000, and instead of using eight mills as the factor to determine the equalization grant, we will use twelve mills as the factor to determine that grant. So, going back to our district with an assessment of $50,000, the new equalization grant then will be computed by taking the difference between $50,000 and $105,000, which is $55,000, and multiplying it by twelve mills instead of by eight mills. The same thing is true in towns, with the exception that we still retain the $75,000 minimum assessment from which to work.

I would move the second reading of the Bill, Mr. Speaker.

The motion for second reading of Bill No. 71 was agreed to.

## SECOND READING

### Bill No. 58 – An Act to amend The Natural Products Marketing Act, 1945

**Premier Douglas (Minister of Co-operation)**: – Mr. Speaker, this is a Bill to amend the Natural Products Marketing Act, 1945.

Hon. members will remember that in 1945, The Natural Products Marketing Act was passed by this Legislature to permit any group of producers in the province to organize their own marketing scheme for the disposal of their own products. Of course it should be understood that such a marketing scheme set up under provincial legislation was confined entirely to marketing within the province. It could take delivery of commodities in the province, and it could dispose of those commodities in the province. It had no power to market outside the province, except to market through agents or to see to the trade.

I don't want to take a lot of time in discussing this question of marketing. I think there will be an opportunity to do so on a resolution which is now on the Order Paper. Hon. members will remember that the whole problem of marketing has been a very complicated one indeed. In 1934, the Bennett administration at Ottawa passed the Natural Products Marketing Act and an attempt was made to set up marketing machinery across Canada and a vote was taken in the three prairie provinces on it. When the Liberal administration came into office in 1935, one of the first things they did was to send the Natural Products Marketing Act of the Bennett administration to the courts, and the courts held that the legislation was ultra vires on the ground that, while it was possible for Federal boards, or producers' boards operating under Federal legislation, to market inter-provincially and internationally, they had no power to indulge in local sale, they had no power to take delivery of a commodity, especially to make it compulsory to deliver a commodity, within a province, to a board. Consequently that legislation was thrown out.

Subsequent to that, the producers of British Columbia drafted a marketing scheme which was submitted to the provincial Government of British Columbia and passed. That legislation ultimately went to the Privy Council and was held to be intra vires because it confined its activities to the

province of British Columbia, by which, for instance, the vegetable growers and the fruit growers could set up their own marketing board, take delivery of commodities within the province on a compulsory basis, could market within the province, and could, of course, market outside the province if they did so through some agency.

Now, the question of marketing, as I said, has caused a good deal of concern because of this divided jurisdiction – that the provinces had jurisdiction in the matter of local sales and taking delivery of a commodity, and the Federal Government had jurisdiction in inter-provincial trade and in export trade. In 1945, in this province we passed The Natural Products Marketing Act, and, as I pointed out, it was confined entirely to activities within the province. That legislation permitted any group of producers to come to the Provincial Government and ask that a scheme be approved, and that a board to market their particular commodity be established – a producers' board operated by the producers and for the producers.

No producers have taken advantage of this legislation up until now.

The reason is very obvious. During the war the Federal Government had entered into contracts to supply a large number of agricultural commodities, to the United Kingdom in particular, and since they were taking the surplus goods off the market (the bacon contract, egg contract, and other contracts which they had entered into), there was not any problem about marketing inside Canada; as a matter of fact, in many cases it was difficult to get enough agricultural commodities to fill the overseas contracts which we had. In consequence, there was no pressure on the producers to consider setting up in the province a marketing board for the marketing of their own commodities.

Then, last year, 1949, the Federal Government passed what is commonly referred to as "Bill 82", – which more properly is "The Agricultural Products Marketing Act, 1949", and that proposed to meet this division of authority I referred to a few moments ago. That Act said, in essence, that, while we recognize that the provinces have the constitutional power to take delivery of the commodity within the province, and to indulge in local sales, and while we recognize they have not got the power to indulge in inter-provincial trade and international trade, the Federal Government, by the Agricultural Products Marketing Act, 1949, is hereby giving to any provincial board set up, by Order-in-Council, if the scheme is approved by the Governor General in Council, authority not only to market within the province, which it gets power to do from the Provincial legislature, but power to indulge in inter-provincial and export trade. That Act was passed last year, as the hon. members know.

Now the whole marketing situation is changed. The Federal Government now, very rapidly, is getting out of the business of exporting commodities and indulging in export trade. The egg contract has come to an end; it is expected that the bacon contract will end sometime in June, and the Federal Minister of Agriculture has indicated that it is not the intention of the Federal Government to set up Dominion marketing boards, or to carry on export trade on behalf of the producers. He has also indicated to the producers that, in his opinion, the way this situation should be met is for the producers in the various provinces to organize themselves under a Natural Products Marketing Act in that province, if there is such a legislation, and, if there isn't, they should ask their provincial governments and provincial legislature to prepare and pass such legislation.

That changes the picture considerably, and in recent months there has been some interest evinced in this Natural Products Marketing Act Board; it is an administrative board, as the hon. members will know – it is not a board to market; it is an administrative board whose task it will be to receive from any group of producers their proposals for a marketing plan, and if they approve that plan and that scheme of marketing, then the provision of the Act is that it shall be put to a vote of the producers. First of all it must be approved by the Lieutenant Governor in Council, then it is submitted to the producers for a vote; and if the producers approve it, then that particular commodity is marketed through a producers' organization set up under this legislation, and with the Federal Act now, they would supposedly also have power to engage in inter-provincial and international trade.

Now, Mr. Speaker, this raises, of course, a whole host of questions into which I need not go at this particular time. However, one of the reasons that a marketing conference was held, last week, in Ottawa was to begin to look at some of these problems. The conference was called by the Canadian Federation of Agriculture, and the representatives of the various provincial governments and the Federal Government were asked to attend. We tried to do several things. We tried, first of all, to see to what extent the Natural Products Marketing Acts of the various provinces – I think there are about five provinces with Acts – would meet the situation, to what extent it would be possible to carry on marketing under these provincial Acts. I understand that some of the provinces did not go as far as our Act and as far as the Acts in British Columbia and Manitoba went. There might be some of the provinces that would need amendments in order to allow them to carry on marketing.

There were two problems that were recognized, and I don't think we have yet found the answer. The first is that we recognized that the marketing boards trying to market hogs, or trying to market eggs, could produce a situation of almost endless chaos. What will be necessary will be to have some type of inter-provincial board, or inter-provincial marketing agency, and eventually a national marketing agency, to market the commodities, because members will recognize that in some provinces they will be producing surpluses of a certain commodity while other provinces are deficiency provinces. For instance, in Saskatchewan we are a surplus province for the production of eggs, where Quebec is a deficiency province, and the whole problem of our being able to market our surplus eggs in Quebec would mean that we would have to have the co-operation of the province of Quebec and any marketing scheme set up there.

The difficulties are very great, and it was for that reason that the conference sat down for two days and tried to see through some of these difficulties. It was because the matter is of such great importance to us here in Saskatchewan, where we are mainly a surplus province as far as the production of agricultural commodities is concerned, that the Minister of Municipal Affairs and the former minister of Co-operatives (Mr. McIntosh) and myself went to Ottawa in spite of the fact that the House was sitting, because we felt it was most important that we should be in on these deliberations, and that we should know something of what the plans are. That is the first problem. The problem of how the two different marketing agencies are going to work together in setting some type of inter-provincial or national marketing agency.

The second problem is even greater and it is: to what extend, if we set up such marketing agencies, are we going to be able to avail ourselves

of the benefits of the agricultural price support legislation. As the hon. members know, there is an Agricultural Prices Support act on the statute books at Ottawa which allows the Federal Government by Order-in-Council to set a minimum or floor price under certain agricultural commodities. We have had a fund of some $200,000,000 set up for that purpose; I think only some $24,000,000 of it has been used. That legislation expires at the end of this month, and I just received, this morning, a copy of the new Bill which has been introduced by the Federal Minister of Agriculture which will extend the price support legislation beyond the end of this month.

A great number of questions have arisen, such as: will this price support legislation be available to those marketing agencies if they are set up? The answer is that, if there is a price support for that particular commodity, they will be able to avail themselves of it. We have no guarantee, however, because of the mere fact a marketing board is set up and a marketing scheme is established, that there will be price support under that particular commodity. There is no commitment at all that the price support will be extended to any other commodities than those to which it now applies. I am not saying it will not apply to any other commodity, but we have no guarantee and, therefore, if we set up a poultry products scheme or if we set up a livestock marketing scheme or a bacon scheme or a honey scheme, we have no guarantee whatsoever that, having set it up, a price support will be available.

Even where the price support is set up, the question arises: What about the surplus, the exportable surplus? I think all members recognize that trading conditions, today, are no longer similar to the trading conditions that existed prior to the war. Prior to the war, it would have been possible for a national marketing agency owned and operated by the producers and for the producers to engage in inter-national trading, but the problems of trade today are much more complicated than they were before the war, the most complicating factor being exchange, the matter of getting exchange, the matter of blocked sterling credits, the matter of obtaining Canadian and American dollars, the matter of getting in under the Marshall Plan. Almost the only way that we can export a lot of our farm commodities is if the customer we have in mind can obtain Marshall Plan dollars. Those are things, of course, that no group of producers can handle. Those are things, that only a Federal Government and the Department of External Affairs and the Department of Finance and the Department of Trade and Commerce can possibly deal with, and so the thing that is concerning the producers is this: What are we going to do with the surplus? is the Price Support Board going to take the surplus off our hands at a set price? The Federal Government has already taken butter off of the market, and I believe have something in the neighbourhood of over 20,000,000 lbs. of butter on hand. And are they going to take eggs? They have set a floor price of 38 cents for eggs to the dealers, but if there is a surplus, will they take delivery of the eggs? Well, we cannot find out.

It has been suggested that instead of taking the surplus, they may say, "Well, you dispose of the eggs the best way you can and we will pay you the difference between what you get for the eggs and the floor price." That raises another question. If they dispose of the eggs any other way they can, if they dump them on the local market, of course they will ruin the market; and if they have to get rid of them internationally, to whom will they sell them unless they have some arrangement through the Department of Trade and Commerce or through the Marshall Aid Plan for disposing of those surplus commodities.

What is concerning the producers and, I am sure, must concern government and members of the Legislature, is that there are many commodities in Canada of which we consume the major part of the production, but the very small part that we export, if it is left on the local market, can completely destroy the price for the producers. We had a very good illustration of that with eggs, last fall. The moment the British egg contract ended and it was thought that there was going to be a surplus of eggs, the price dropped from 70 cents and kept coming down until eggs were actually being delivered in this province and the farmer was getting as low as 18 cents and 16 cents a dozen. That illustrates my point. In Canada we consume about 89 per cent of the eggs produced and we export about 11 per cent, and yet, if that 11 per cent is left on the local market it could completely destroy the price for the other 89 per cent. The same thing is true with hog production. In the past, prior to the war, we consumed about 54 per cent of our hogs in Canada and we exported 6 per cent. We are afraid that, when the bacon contract is ended, if there is not some way of taking care of the 6 per cent that has to be exported and it is left on the local market, it could also completely destroy the price insofar as the farmer is concerned.

It is for that reason that the whole question of price support legislation is so important as it affects the marketing of farm products, and I am not going to make any suggestions now as to what ought to be done, or as to what things we should press for; but I think it is increasingly apparent that, if these schemes are going to be set up and if they are going to be successful, we will have to have two things clearly placed before them. One is, will they get a floor price placed under the commodity which they are seeking to market? The second is, will they be assured, if they have an exportable surplus which they cannot dispose of in Canada, that it will not be left in Canada to destroy the market but that some responsible body will accept the responsibility for taking that surplus commodity and disposing of it on the markets of the world or sending it to deficiency countries?

I make these statements because I think we should be fully aware of the fact that the mere fact that this legislation is on the statute books, that we have a Natural Products Marketing Act, does not mean that, in a matter of weeks, the producers can be handling the marketing of their own commodities. I say very frankly, Mr. Speaker, that in the discussions which I shall have to carry on as Minister of Co-operatives with the various producers' groups who want to market their own commodities, I would advise them to be very cautious and very careful about going into the marketing of their own commodity unless these points can be clarified, one being that we can get set up an inter-provincial or national marketing agency. That is essential in a province where we are a surplus producer. It is not such a great problem in Ontario or Quebec, where they can consume all they produce in their own province and have to bring in eggs and bacon and other commodities from outside. But in Saskatchewan where we have to dispose of part of what we produce outside of the province, we would need to know that there was going to be some inter-provincial or national marketing agency set up. We would also have to know something about price support so that, if a producers' organization found itself with a large quantity of goods on its hands, it would know that it was going to have a guaranteed minimum price. We all had some experience in the late 'twenties and early 'thirties with a producers' marketing agency, being left with a tremendous volume of wheat which it could not dispose of and having to borrow money and being in financial difficulties for a long time because of this huge surplus which the producers themselves had to carry. We would, I think, advise any producers' group who are going to set up a marketing plan, that they ought to have some clear understanding

with reference to price support legislation being available to them to put a floor price under the commodity which they are marketing. The third thing we would want, or at least we would advise them to secure, would be that they would have some understanding as to what disposition would be made of any surplus commodity which they would have at the end of any given year.

I cite these difficulties, as I say Mr. Speaker, because I do not want anyone to think, because we are amending this legislation, and because we have set up a board to examine schemes and to approve them and to help establish them, that we think that this is any royal road to the disposal of farm products. There are a great many obstacles on the road, and it is going to take all the co-operation of the producers, of the provincial governments and of the Federal Government, in order to find a way of marketing our farm commodities in an orderly manner, so as, on the one hand, to give to the farmer a reasonable return for his products and, on the other hand, to see that the consumers get their commodity at a fair price and, thirdly, to see that surpluses are sent to people and to countries where they are badly needed.

The legislation before the House, Mr. Speaker, amends The Natural Products Marketing Act in one or two particulars, for instance, the administrative board I mentioned a while ago, which is not a marketing board, it is the board that will examine schemes submitted to them and passes upon them. The board has been appointed and I said that the chairman is Mr. Gordon Loveridge and the other two members are Mr. Dennis Dowling and Mr. J. Farquharson. The present legislation provides for a board of three. We are suggesting it be raised to five, not because we have any immediate intention of appointing another two, but because, if different schemes are set up for the marketing of various kinds of farm products, it may be necessary to have people on the board who have some knowledge or are familiar with some other aspects of agricultural marketing than the experience which is held by the members of the present board. The members of the board now are particularly familiar with dairy and poultry marketing with forage seed marketing and with general marketing. They might later want to put someone on who has special knowledge of livestock marketing or the marketing of some other commodity; and so we feel we should have that leeway and we suggest that the board be raised to five. We are doing away with the advisory committee. There was a provision for an advisory committee. We feel that that was somewhat of a fifth wheel on the wagon, because, under this administrative board, different producers' marketing agencies can be set up and each of these marketing agencies will be groups of producers, with officers selected by those producers to market their commodity, and they really will be the advisory board. They will be the people who will advise the administrative force, and so we do not really feel that the advisory committee is necessary.

I come to the most important and what is probably likely to be the most contentious amendment to the legislation, and that has to do with the question of taking a vote on any particular scheme that is going to be set up. As the legislation now stands, Mr. Speaker, it provides that once the board has approved a scheme, after modifying it or suggesting changes in it, it is submitted to the Lieutenant Governor in Council. The Lieutenant Governor in Council then orders that a vote be taken of those particular producers, and if 51 per cent of the producers approve the scheme, that scheme comes into operation. I must say quite frankly, Mr. Speaker, that I still feel very strongly that is probably the best way to run it, and I would say also, equally frankly, that until two or three months ago I was opposed to any change in providing for a vote among the producers on a mandatory basis.

I think, when you are going to set up marketing agencies and when you are going to require the producers to deliver their commodity to a producers' marketing agency and require that they market their commodity in a particular way, that certainly all the people who are engaged in that industry ought to have a chance to say whether or not they like that particular scheme.

The only reason that we are suggesting here that we change that procedure is because we have had very strong representation from the producers' groups themselves: from the honey producers, from the livestock producers, and from the Saskatchewan section of the Canadian Federation of Agriculture. They advanced three fairly good reasons why we ought to consider modifying our position somewhat. The first reason given was that this is the only Natural Products Marketing Act in Canada which makes a vote among the producers mandatory. All the other acts provide that the Lieutenant Governor in Council may decide on a vote – some of them even say that the board may decide on a vote or not, others provide that the Lieutenant Governor in Council may order a vote or not; but in none of the others is it mandatory by statute that a vote of the producers must be taken. That is one reason why they suggest that we should bring the Act into line with the other natural products marketing acts of Canada.

The second reason they give is that instances may come up where some group of producers come before the board, ask to be certified and have a marketing scheme established, and they may be able to demonstrate beyond a shadow of a doubt that they represent 85 or 90 or 95 per cent of the producers. They say that, for that reason, there ought to be some leeway by which a scheme that is so apparently supported by all the producers, could be set up without taking the time and going to the expense of providing for a vote. The honey producers' co-operative, I am told, represents probably 90 per cent of the honey producers of the province, and they are applying to have a marketing scheme established. Now I am not saying that just because they claim to represent 90 per cent of the honey producers, a vote should be dispensed with; but the farm people who have approached us, farm organizations, have said that, in a case like that, there ought to be some discretion and it ought not to be set down by statute that, no matter how convinced we are that the preponderant majority of the producers are in favour of a particular marketing scheme, we still have to go through the motions of taking a vote.

They advance a third reason – and I put it forth for what it is worth. It is the fact that, in some commodities, the question of taking a vote presents some very great difficulties. In Ontario they took a vote on hog producers, for instance, and they tried to register all the farmers who had two breeding sows or more, and I think they only succeeded in registering less than 30 per cent. Take the poultry producers of our province, for instance, who have already intimated that they are going to ask for a marketing scheme. Well, I am not saying it cannot be done, and I am strongly of the opinion that it should be done if it possibly can be done; but try to visualize the difficulty of registering all the people who keep hens in this province! There would probably be in the neighbourhood of 90,000. If you register all the people who have 25 hens or more, does that include all the people on the outskirts of the cities who keep a few hens? Is it the number of hens the day they register or the number of hens on the day they vote?

The problem of trying to register 80,000, 90,000, or 100,000 producers and take a vote does present a good many difficulties, and I would say, Mr. Speaker, in spite of the difficulties, I would still be in favour of taking a vote if it is humanly possible to do so; but there is a feeling (and

I have become convinced of it after a good bit of discussion with those who are interested in this matter) that probably there ought to be sufficient leeway that we could meet any unforeseen situation that might arise. We are proposing, therefore, that we take out the mandatory clause saying that there must be a vote, and that we provide instead, first of all, that any group of producers will come and present a scheme to the board. The board can reject the scheme by saying it is not expedient to establish it, or they can say that they approve the scheme and recommend to the Lieutenant Governor in Council that the scheme be approved subject to a vote being taken among the producers; or, as a third alternative, they can approve the scheme, hold public hearings to see if there are any people who would like to have a vote taken, and if they find that the producers in a particular field of agriculture seem to be fairly unanimous that they want a producers' board set up and that there is not any widespread request for a vote, then they can recommend to the Lieutenant Governor in Council that the scheme be put into operation without a vote. However, even if the board recommends to the Lieutenant Governor in Council that the question of whether or not a scheme should be established be submitted to a vote of the persons engaged in the production of the natural product within the area to which the proposed scheme is to apply, subsection (5) provides:

> "(5) Notwithstanding anything contained in this section the Lieutenant Governor in Council may require that all schemes presented to him for approval be submitted to a vote of the producers engaged in the production of the natural product, in which case subsection (4) shall apply."

That is that even though the board after it has held public hearings and feels that the great majority of the producers of a certain agricultural commodity are in favour of setting up this scheme, and even though they recommend to the Lieutenant Governor in Council that the scheme be established without a vote, the Lieutenant Governor in Council may still exercise his discretion and order that a vote be taken among the producers of that particular commodity.

Now, Mr. Speaker, I want to say that I hope the members will feel perfectly free to criticize this or to modify it; I do not feel strongly about it at all. If the members feel that we should leave the section as it is and require that a vote be mandatory, that would certainly meet my wishes, because I cannot conceive at the moment of any scheme being set up without a vote. However, I feel that I am duty-bound to place before the members of the House the strong representations of the producers' groups and of the Federation of Agriculture who feel that our Act should be brought more into conformity with the Acts of the other provinces, that there should be some small leeway for the board to exercise its discretion and for the Lieutenant Governor in Council to exercise his discretion. I want to say, too, that, as far as board and as far as my colleagues in the Cabinet are concerned, the producers will have to make a very good case to the board before the board is likely to approve its scheme without a vote, and the board would have to make an exceedingly good case to us before we would be prepared to approve a scheme without a vote. I would imagine that, in that case, the chances are less than one per cent that a scheme would be set up without a vote, because I feel very strongly that, if such wide powers are to be given to a marketing agency as this Act gives to them, it should certainly be done with the approval

of the people who are going to be affected. Nevertheless, there could be situations arise in which the mandatory provision for a vote could place the producers' organization and the board and the Government in a straitjacket and it is for that reason I am suggesting that, in this legislation, we be given some discretion and some leeway. I think I need hardly give the House the assurance that that discretion will be used very carefully and very cautiously and with a full sense of the responsibility which it entails. I would move second reading of the Bill.

Moved by Premier T.C. Douglas:

> That Bill No. 58 – An Act to amend The Natural Products Marketing Act, 1945 – be now read the second time.

**Mr. Walter A. Tucker (Leader of the Opposition)**: – Mr. Speaker, I agree a great deal with what the hon. Premier has said in regard to the nature of this proposed Bill. As I read the Bill and as far as I understand it, the only objective sought to be achieved by it is to remove the mandatory provision for a vote of the producers before the powers provided for can be vested in any board. That is the sole purpose of the amending Bill. Under the law as it now stands, section 6 subsection (6) provides:

> "No scheme shall be established . . . unless the question as to whether or not a scheme should be established has been submitted to a vote of the persons engaged in the production of the natural product within the area to which the proposed scheme is to apply and unless the establishment of the scheme is approved by such percentage of the persons voting on the question, not being less than fifty-one per cent., as the Lieutenant Governor in Council may in each case determine."

In other words, the powers which may be exercised by a marketing board set up under this Act, cannot be exercised unless the question has been submitted to a vote of the persons engaged in the production of that natural product and approved by 51 per cent of the persons voting on the question.

I can well understand why the Premier should be very reluctant to remove that provision from the Act as it now stands, because the powers given to a board set up under one of these schemes to market any product are very sweeping. I wish to refer to them for a moment or so just to indicate how sweeping they are.

In the first place "natural product" is defined in the Act to mean:

> "Any product of agriculture or of the forest, sea, lake or river, animals including poultry whether alive or killed, skins and pelts of fur-bearing animals, meats, eggs, wool, dairy products, grains, seeds, fruit, fruit products, vegetables, vegetable products, honey, tobacco, lumber and any article of food or drink, wholly or partially manufactured or derived from any such product."

Now, the Act as it is at present provides that the Lieutenant Governor in Council may constitute a board, as the Premier said, which consists of not more than three members. Then it goes on to provide:

> 5. "The purpose and intent of this Act is to provide for the promotion, control and regulation in any or all respects of the transportation, packing, storage and marketing of natural products which are within the province, including the prohibition of such transportation, packing, storage and marketing in whole or in part."

It goes on to provide that, subject to this vote being taken:

> " . . . the Lieutenant Governor in Council (which means the Government) may from time to time establish and amend and revoke schemes for the control and regulation within the province of the transportation, packing, storage and marketing of any natural product, constitute marketing boards to administer such schemes and vest in these boards respectively any powers considered necessary or advisable to enable them effectively to control and regulate the transportation, packing, storage and marketing of any natural products which are within the province and to prohibit such transportation, packing, storage, and marketing in whole or in part."

In other words, under the law as it stands at present, the Government may set up marketing boards and give them power to prohibit the transportation, packing, storage or marketing of any natural product as

defined. Now, such a board, of course, would have, as you may see, Mr. Speaker, tremendous powers. The present Act goes on to provide that the Government may give any board so set up, additional powers:

> "To regulate the time and place at which, and to designate the agency by or through which any regulated products shall be packed, stored or marketed; to regulate the manner of distribution, the quantity and quality, grade or class of the regulated product that shall be transported, packed, stored or marketed by any person at any time; and to prohibit in whole or in part the transportation, packing, storage or marketing of any grade, quality or class of any regulated product."

In other words this board so set up by the Government could absolutely prohibit the transportation within the province, or the packing or storing of any natural products produced in the province, which includes all our natural products as defined in this Act, also the products of the forests and the products, of course, of the lakes. This board would have power to practically take full control of any particular group of products and permit all or part of them to be marketed.

The Act goes on to provide that a board may be given power:

> "To fix the price or prices, maximum price or prices, minimum price or prices, or both maximum and minimum prices at which the regulated product, or any grade or class thereof, may be bought or sold in the province; and to fix different prices for different zones of the province."

So if this board is so set up, it may provide for the marketing of any particular class of goods. It could include, for example, if they were not already covered, the marketing of oats or barley; it could provide the exact price at which the producer must sell them and it could provide how much he could sell and to whom he must sell it. In other words, it could take absolute control of the marketing of every natural product produced in the province of Saskatchewan and fix the price at which it should be sold.

The Act gives the Government power to authorize it to:

> "Seize, remove and dispose of any of the regulated product kept, transported, packed, stored or marketed in violation of any order of the board and retain or otherwise dispose of the proceeds thereof."

In other words, if anybody did not do what he was told by this board, they could move in and take possession of his product and do as they

pleased with it. Now, of course, those powers, Mr. Speaker, naturally, would bring any producer within any particular class of production under absolute jurisdiction of the board.

A good example of such a board's powers, Mr. Speaker, is the Fish Board as it was operated formerly. The fishermen in those areas that were under the jurisdiction of the Fish Board had to sell their fish to the Fish Board at the price that the Fish Board designated, and if they did not do so, penalties could be imposed upon them. Then they simply had to take whatever price the Fish Board decided they should have. Now that system did not prove to be very satisfactory and a new system has now been set up under which the Fish Marketing Service acts as a marketing service for the fishermen and they decide whether they want it to act for them or not; they get an initial price for their fish and then, if the fish is sold for any more than the cost of handling it, they get the difference. Now then, that is the recent history of the handling of fish in Saskatchewan.

**Premier Douglas**: – Mr. Speaker, it is to be recognized that there is a distinct difference between a government fish board and a producers' board, in which the producers themselves would be doing this marketing.

**Mr. Tucker**: – I understand that that is true and it was one of the objections I made to the Fish Board as operated for so long in this province under the present Government; but nevertheless the Government sets up the marketing board, constitutes it and presuming the marketing board is set up under the law the way it is, and there is no change proposed, it will be under the jurisdiction of the Government.

**Premier Douglas**: – Mr. Speaker, may I correct my hon. friend. The marketing board is simply an administrative board that approves a scheme and delegates the powers to these producers' boards.

**Mr. Tucker**: – Yes, but section 6 provides, Mr. Speaker, as follows:

> " . . . the Lieutenant Governor in Council may from time to time establish and amend and revoke schemes for the control and regulation within the province of the transportation, packing, storage and marketing of any natural product, constitute marketing boards to administer such schemes and vest in those boards respectively any powers considered necessary . . ."

In other words, this Bill as it presently stands, provides that any board to have any powers under the Bill has to be appointed by the Government; otherwise it would not have the powers set out in the Bill.

**Premier Douglas**: – They would be producers' boards though.

**Mr. Tucker**: – Yes, but the Government would have the appointing of the board. That is what I am pointing out. And so, when the Government appoints a board, they would have to decide who they would want to put on

the board, then they can vest in that board these sweeping powers.

Now, if all the production of Saskatchewan were placed under the control of boards appointed by the Government like this, which would have such sweeping powers to decide how much goods they would market for any farmer, and what kind of goods they would market for any farmer or any fisherman or trapper or any person working in the bush, and what price they would pay him for his product, they would have the producers of this province very definitely in a position where they would have no control over their own product, except such as they might be able to exercise by bringing influence to bear on the board that was set up. I realize what the Premier says, that, if the producers appoint their own boards, of course, presumably they would be appointed. The Government must take the responsibility of appointing it and, if it is difficult to get the producers to express themselves in a vote as to whether they want a scheme or not, then it certainly would be difficult to get the producers to express themselves as to whom they wanted on the board, and, in the last analysis, the Government would have to take the responsibility of setting a board up.

Now this Act gives such sweeping powers to a board that might be set up by the Government that the reasons given by the Premier for the proposed change should be given careful consideration.

One reason was that there were no other similar Acts that provide for a mandatory vote in any other part of Canada. Another was that instances may come up wherein the producers can show that undoubtedly they do have the majority of their group within the group who want to have their product so marketed. I can see that there may be something in that argument. When we agreed that the producers of oats and barley should have their product delivered to the Wheat Board, we were recognizing that it was possible to come to the conclusion that the vast majority of producers might want a board to handle their products. We were convinced of this: From what we had seen of the attitude of municipal councils and the Rural Municipal association, and from what had happened at the various meetings of the farmers in the various groups that they meet in – the Canadian Federation of Agriculture and different farm organizations – there seemed to be no doubt whatever that the vast majority of farmers wished to have their oats and barley marketed through the Wheat Board. So we unhesitatingly took the attitude that, if the farmers wanted their products marketed that way, we would support them in having the necessary legislation set up.

There was no question there about the fact that, at that particular time, the majority of producers of oats and barley wanted that brought about. But to give a government blanket authority to exercise the jurisdiction to decide such a thing, not by vote of the Legislature which represents the people, but by government order-in-council on the advice of this board, is something else again. We decided as a Legislature in regard to oats and barley. Now we are asked to say ahead of time that we vest the power in the Government on the advice of this board to give these powers to any board it may set up in regard to any particular product in the future without any vote whatever. We are leaving it to the board to recommend, and the Government to decide, whether a vote shall be held or not.

Another reason given was that sometimes taking a vote presents great difficulties. Now I think a vote was held in regard to, for example, the marketing of poultry products back about 1933 or 1934, and I think a very large vote was taken on this matter, and I think a vote in most cases could be held without undue difficulty. My own feeling about the matter is that, if you are going to have a scheme like this operate successfully, there should be a vote held unless you have a case where, over a period of some time, as was in the case of oats and barley, there can be no doubt about the matter, and even as did happen, it should be by vote of the Legislature.

I am not sure about it, but it seems to me, if you are going to have a successful scheme it should be only after the matter has been thoroughly discussed by all the producers, as would happen if you had a vote, and then have them vote on it. If some organization felt that it did represent all the producers, and managed to persuade the board to recommend that no vote be held, and then it turned out that some considerable group of people were not favourable, a scheme that might otherwise be a great success might fail because it had been imposed without proper discussion and a vote.

Now it seems to me, Mr. Speaker, that that is a very strong argument against the amendment. If you still have the vote mandatory you will be able to say to producers: "Now it is better to go a little bit slow and make sure that you get off on the right foot and it would be better not to try to get us to put it through without a vote. It would be much better for you to put on a bit of an educational campaign and get a vote, and then you will be sure that it will be a success." But if you have got the power in the Act to set up a scheme without a vote, then there are always people who are in a rush about things and think that they know very well what is best for the producer, and they may come along to the Government and say, "You have got the power. Now go ahead and put it into force." So it seems to me it would be a protection to the Government to have the Act remain as it is today.

However, Mr. Speaker, so far as I am concerned, as in the case of oats and barley and as in the case of wheat, I believe the farmers surely should have a right to indicate how they want their products marketed. I feel that the state should be ready to meet their wishes and to go as far as reasonably possible to meet their wishes in providing marketing machinery to market the produce of the farmers and other producers of natural products to the best possible advantage, and if I could be convinced that the farmers as a whole and producers of natural products were so sure that they wanted their rights placed in the hands of the Government like this, without any right to exercise a control over it by a vote of themselves, if I could be convinced of that, I would say, "Well, if that is the way you want it, I would not feel like opposing the Bill." So far, however, I have not been convinced by what the Hon. Premier has said, that the farmers as a whole do want these sweeping powers placed in the hands of the Government. The reasons he gives have not convinced me entirely yet, and I feel that perhaps it would be a good thing to adjourn this debate to give us all time to think about what the Premier said about the matter, and perhaps consult various

farm leaders in whom we have a great deal of confidence, and also our farm constituents. Certainly I have not had the chance myself to consult my constituents in regard to this sweeping change and I would like a few days to have a chance to do that so that when I come to vote on this question, I will know that I am representing the wishes of my constituents was well as the farmers of the province as a whole, which I am very anxious to do.

I realize the truth of what the Premier said, that this is a very important matter. So we want to do everything we can to co-operate with our farmers and with the Dominion in working out a scheme of marketing that will operate in the best interests of our farmers and the other producers of natural products. I think every member of this Assembly does not want to deal with this in any partisan way; they want to act in what would be the best interests of all our producers and so by your leave, Mr. Speaker, I would very much like to move the adjournment of the debate. There may be others who might wish to speak on the matter now. If there is, rather than move adjournment myself, I will say that before we vote on this Bill I would hope that the debate would be adjourned, so that we would have a chance to think about it and consult our constituents and other people who might wish to make representations.

**Premier Douglas**: – Mr. Speaker, might I make a suggestion to the Leader of the Opposition. If he insists on adjourning the debate, I shall not raise any objection. I want to make a suggestion. I feel exactly as he does about this matter of the mandatory clause. If the House were agreeable, why not let it pass second reading, which I know means accepting the principle; but if there are other provisions in the Bill which I have not gone into, the matter of registering under a co-operative marketing act and so on, why not let the Bill pass second reading and go into Committee of the Whole and leave it there for a while and take it up, give the members some time, and if there is any objection on either side of the House to this provision and a feeling that we should leave it the way it is, I for one, will raise no objection. I would be quite agreeable to accept an amendment in Committee of the Whole to strike the section out, if that seems to be the general wish after the members have consulted the various far organizations. I think it could be done just as easily there as turning down the whole Bill now or passing the whole Bill when we might want to amend it in Committee of the Whole.

**Mr. Tucker**: – Mr. Speaker, what I had in mind was actually that this is the only substantial provision in the Bill. Outside of doing away with the advisory committees and outside of the provision for registering under The Co-operative Marketing Associations Act, the whole purpose of this Bill is to do away with the mandatory voting, and what I had in mind, Mr. Speaker, was that I felt sure that several members might like to debate this in a formal way with you in the chair, and before we pass the principle of this Bill. It is quite an important matter, and I am sure that we can have a better discussion with the Speaker in the chair. I am sure there may be several members who would like to discuss it, and I really think that it should be adjourned before we vote on it or pass second reading and endorse the principle. If there is anyone else who would like to speak on it, Mr. Speaker, I do not want to move the adjournment, but I would like to see us have a chance to consider it fully before we actually pass second reading.

**Mr. L.F. McIntosh**: – Mr. Speaker, I was wondering if the hon. Leader of the Opposition would permit a question. Do I understand that you interpret this Bill to mean that the Government sets up the board that does the physical marketing?

**Mr. Tucker**: – The Act so states. Section 6 says, as it is now,

> "Subject to subsection (6), the Lieutenant Governor in Council may from time to time establish and amend and revoke schemes for the control and regulation within the province of the transportation, packing, storage and marketing of any natural product, constitute marketing boards to administer such schemes . . ."

There must be a board to administer the scheme and, of course, the only people who can constitute that board is the Lieutenant Governor in Council.

Now then, the method by which the members of any marketing board are to be chosen, whether by appointment or election or partly the one and partly the other, may be set out in the scheme that the board is authorized to administer. The board is authorized to administer a scheme and in the Order-in-Council setting up a board to administer a scheme, they can provide that the people who are actually doing the day-to-day work may be appointed or elected, partly one and partly the other; but then it seems to me quite clear that the Lieutenant Governor in Council would have to vest the powers of this Act in some board named by them. Now they might say to the producers . . .

**Premier Douglas**: – The scheme is submitted by the producers, and when the producers submit a scheme they will provide in that scheme how they want the board selected – whether they want the board elected, or partly elected and partly appointed; but in the scheme which they submit they will have clauses there as to how it will be set up and who will be appointed. That will all be in the scheme which they submit to us. Of course, we do not have to accept it; but if we accept it then that is how it will be established – in the manner that they themselves have set out.

**Mr. Tucker**: – Yes, but you have to actually appoint this board, whatever board may be suggested. The final resort, the power for that board to act comes from the Lieutenant Governor in Council under this Act, and that is all that I am getting at. I am not saying that the Government would set up some board that might not be satisfactory to the producers or anything like that. I am saying that the power that they get comes through this Act and by virtue of appointment by the Lieutenant Governor in Council. So it might very well be that the Government might say: "Now, here we are ready to appoint anybody that the producers in this particular group may elect", or something like that; but nevertheless, the fact remains that their powers come through the Government and through this Act. To deal with that for a moment, the Government cannot wash its hands in this matter altogether, because it is giving this board the power to fix prices. It can set any price it wants, and I do not think the Government, when it gives powers like that to a group of people to deal with their fellowmen in the province, could possibly wash its hands

of the whole matter and simply say, "We are just going to turn over to somebody that we do not know, powers to fix prices and so on."

**Premier Douglas**: – This power can always be revoked.

**Mr. Tucker**: – Well, that is the point you see. The Government, in the last analysis, must reserve some right of control and I think that answers the Minister of Municipal Affairs. You could not turn over these rights and just let it go.

**Mr. Speaker**: – Apparently the Leader of the Opposition has asked leave to adjourn the debate.

**Mr. Tucker**: – I said, Mr. Speaker, if no one else wants to speak.

**Mr. G.H. Danielson (Arm River)**: – I might say, Mr. Speaker, before I go any farther, that just while I was out there was a long distance call which came for me from the Northwestern part of the province. It was a group of farmers listening to the broadcast over the radio, listening to the Premier and the Leader of the Opposition, and I was strongly told not to support anything that would not provide for a vote by the producers. That is my experience just now over the telephone. I do not think it makes much difference what we do. I do not think we should quibble on it. The question is, Mr. Speaker, that the producer either has a right to say whether he wants his products marketed in a certain way or he has no right to say so. That is the whole thing. It is absolutely immaterial whether the board is not able to recommend certain action to be taken by the Government. They are the ones that are going to tell the Government, or recommend to them, whether a vote should be taken or not – not the producers themselves; that is the board which has made the proper investigation to ascertain the local condition and the feeling of the producers generally in that respect. If that board came into the Government and recommended that a vote should not be taken, the Government evidently would not take any vote, and I would not blame them if they did not. We as producers, I do not think should agree to that. I do not think that, if you take a vote of the producers as a whole, you will get any consent to the procedure at all. I do not think the producer would say, "Here are three or five men picked by the Government to recommend to them what is going to be done with our produce from the farm." We know what the Act contains. It contains practically everything we produce in the province of Saskatchewan, except wheat. That is what it says. So far as that is concerned it is immaterial, after that decision has been made, whether there is going to be a vote or no vote. It is immaterial to my mind whether the Government appoints the actual business board that is going to do the business of buying or selling, or whether the people themselves have a chance to say, "Well I'll support so and so, and I will support so and so." Now I do not think that makes any difference. The whole thing for the producer is this: has he, as the producer, the one who works and invests his money and produces the product – has he got a right to say what shall be done with the products so far as the method of sale and distribution is concerned. That is the whole thing. If you set up a Government board now, which has already been done, to recommend to the Government what should be done, the question is, are they going to be permitted to do that or not. I for one, Mr. Speaker, to be consistent with my attitude when this Bill was first brought into the House (and I know the fight that took place at that time) cannot support that procedure. At that time we put up a fight for the right of the producer to say what he wanted done with his own products, and we voted for the 51 per cent. I will not support anything in this House that does not give something to say

to the producer, whether it is with regard to poultry, hogs, cheese, butter, oats or barley, fish or anything else, whether I want to have the products of my labour marketed under one system or another. After the producer has had that say, then the majority rules, and I think the majority of the people of Saskatchewan accepted that rule in the past and they will accept it now. I think it would be an unwise thing for the Government to do, if it is anything like the provisions put into this Bill. For that reason I must be consistent in my action all the way through and say that the producer should have the right to vote, to express his desire in regard to the method of sale of his products. I am heartily in favour that they be allowed this right.

**Mr. A.L.S. Brown (Bengough)**: – Mr. Speaker, it does appear to me that we have some unanimity of opinion here at least. I think we are all agreed that before any scheme is put into operation we should have in some way or other concrete evidence that we have the approval of the majority of those who are participating in this scheme. However, I think we should point out that what we as producers are primarily interested in right at the moment, is setting up some scheme or system, whether it be by the producers or whether it be through a government marketing agency, some organized scheme of marketing our products.

We appear now to be in a transitional period. We have had a period in which we have had a national marketing scheme, and now, if the producers are going to take over the marketing of those products I don't think it is right for us, particularly when we think of the good intentions of the producers, to place any obstacles in the way of setting up these schemes. I realize that we must be very careful in seeing that we do have the approval and the consent not only of a majority, but of a substantial majority; but if we make it too difficult for the produces to set up these boards, then, in my opinion at least, we are rendering them a disservice rather than a service.

I think that it should be pointed out again, as it was pointed out by the Premier, that we in Saskatchewan were utterly democratic when we the provision which we did make in the Act, in its initial stage, by making a vote mandatory, for it has been pointed out that no other province made it mandatory for a vote to be taken. I think, also, that until a scheme is set up for the marketing of our products, the point suggested by the Premier is very well made, and that is – who is a producer? Once you have a scheme set up, you have then a record of marketing producers and it is those who are primarily interested in the market. An individual who is just producing for himself or for his own use, is, strictly speaking, a producer, but he is not a producer who is primarily interested in the marketing of his goods.

I would suggest to the House that, while the suggestion outlined here in this Bill may not meet with our entire approval, a mandatory vote in every instance will be rendering a very great disservice to certain classes of producers, and would make it virtually impossible for them to set up under this Act. I think that once you have a scheme set up and it appears that the majority of the marketing producers are not, then, in favour of such a scheme, there would certainly be no hesitation in disbanding that board and that scheme.

It seems to me that we have to make a start somewhere, and I suggest that we could at least give this approval for a year or so and see how it works out, and see if it is possible for a scheme to be set up which, apparently to the Board and to the Lieutenant Governor in Council, meets with the general approval of the producers. If we find, a year from now, that

this is not working in the best interests of the producers (and I am satisfied that all of us in this House have the producers' interests at heart), then we would be only too willing and too ready to disband those schemes and make it mandatory for those schemes which are already set up to have the approval of the marketing producers. On these grounds, I can support the amendments which have been introduced.

**Mr. J.G. Banks (Pelly)**: – Mr. Speaker, I am indeed glad that this is not a political issue here and I certainly don't want to make it one. I represent a constituency where there is a lot of barley and oats grown, and for that reason I cannot remain silent. I do not think that any of the people up there know anything about this marketing Act. I don't believe they do. It was passed a number of years ago, and while it has been something that was written up in the papers, it is a kind of hazy idea of some marketing system.

I was very glad to hear my leader ask for that little time. I had intended, even without that, to get in touch with my constituency. This legislation should not be passed without that opportunity. It is all right for these men who have nothing but wheat to get up and tell the Government what it should do and what we should do; but this should not be passed without the people knowing all about it. It is all very well to say, "Here, we'll listen to you" and hear all about this marketing Act. Do the producers know all about it? No, they don't know about it, and with those sweeping things, I could not vote for it; I would have to vote against it. I may be able to vote for it if you give us this respite of a few days, because I intend to have it taken up in my constituency and we will certainly hear from them and see what they want to know about it. I can give them the provisions of the Act and let them read it themselves; they would understand it.

**Mr. J. Wellbelove (Kerrobert-Kindersley)**: – Mr. Speaker, the one point brought to our attention by the Premier with regard to the honey producers, where their representatives claim to speak for 90 or 95 per cent of the producers, impresses me. I think it would be a pity if we passed an Act where they would be compelled to take a vote when their spokesmen represent such a large number of the producers of honey. On the other hand, I cannot conceive of any Government being foolish enough to bring in any producers' organization to market any specific product in this province if there is any shadow of a doubt that it does not meet with pretty general support.

I think that the producers of a commodity should have an opportunity to vote as to the channels through which their product should be marketed. We have not very much to say in that at the present time, but I would like to see that. At the same time I do not think that it should be mandatory that every group of producers should be compelled to go back and take a vote if it can be proved that they represent an overwhelming consensus of opinion of the producers of that particular commodity. I cannot conceive a Government that would run any chance of crossing the wishes of any reasonable proportion of the produces of any commodity. I think we can be pretty well assured that, in the majority of cases, if there is any question of opinion at all, a vote would be taken. On that basis I would be prepared to support this amendment to the Act.

**Hon. L.F. McIntosh (Minister of Municipal Affairs)**: – Mr. Speaker, as the Premier pointed out, the principle of marketing boards was first introduced in Canada in 1934. It was introduced at that time as a Dominion Act, which suggested enabling legislation by the provinces. As the Premier pointed out, the Dominion Act was submitted to the Privy Council and declared ultra vires of the powers of the Parliament of Canada. I might hasten to say that the enabling legislation passed at that time by a number of the provinces, was not taken into consideration. Among the provinces that passed the enabling legislation was the Province of British Columbia. When they found that the Dominion Act was ultra vires of the powers of the Dominion, the groups in British Columbia interested in this type of marketing suggested that, if they took the main principles of the Dominion Act and incorporated them into a provincial Act, they would probably be in a position to control the marketing of the products that they were interested in. That is what British Columbia did. They took the findings of the Privy Council, plus the Dominion Act, plus what powers they required under their own provincial legislature, and drafted a Natural Products Marketing Act. The Act which they have in the Province of British Columbia and which has been operating for some thirteen years is generally conceded to be within the powers of the Province itself. British Columbia has some five marketing schemes covering fruit and vegetables. Nova Scotia and New Brunswick have marketing schemes.

**Mr. Tucker**: – Did the House have the impression that every one of those schemes took a vote of the producers in British Columbia? Am I wrong in that?

**Hon. Mr. McIntosh**: – I could not say whether the vote was originally taken when they set up the schemes or not. There are provisions in their Act for the taking of a vote and they may have taken a vote when the schemes were originally set up. I am not sure about that. New Brunswick have marketing schemes under their Act. The Province of Ontario have some thirteen schemes under their Natural Products Marketing Act.

Mr. Milliken, solicitor for the Saskatchewan Wheat Pool, is generally accepted as being the authority on this type of legislation, and during recent months he has been giving further study to marketing legislation. I think that, if we asked Mr. Milliken what his interpretation was of the position of the Government of Saskatchewan or the Government of British Columbia or the Government of Manitoba insofar as it relates to the boards that do the actual physical marketing, he would say without hesitation that the Board that does the actual physical marketing is a producers' board either appointed or elected by the producers themselves, and that the board administrating the Act, which the Premier referred to, is a board simply to accept schemes and make recommendations to the Lieutenant Governor in Council. So, no doubt, between now and the time the Bill is in committee, members of the Opposition will be receiving the interpretations as to the powers of the Government in relationship into the appointment of the Board that does the actual physical marketing.

As was pointed out, when the Act was originally drafted, provisions were made for taking a vote. In the old Dominion Natural Products Marketing Act of 1934, provisions were also made there for the taking of a vote, and, in 1934 or early in 1935, a vote was taken in the three western provinces for the purposes of considering the marketing of eggs and poultry. The three provinces were taken as one unit. The Act at that time said that there must be a majority of 66 2/3 per cent voting in favour of this scheme of marketing. The province of Saskatchewan found that their vote had reached

72 per cent. The province of Alberta and the province of Manitoba did not read their 66 2/3 per cent, therefore the scheme was declared inoperative at that time.

We are marketing our wheat, oats and barley without a vote, and we are marketing them through a board appointed under Dominion legislation. On the other hand, it is quite true that there was very strong representation by farm organizations in the three western provinces for this system of marketing, and unquestionably it was felt that there was a sufficient amount of public opinion behind this system of marketing so that the vote was not warranted. As the member for Kerrobert-Kindersley pointed out, the honey producers' co-operative of Saskatchewan is membership controls approximately 90 per cent of the honey that goes into trade channels. That co-operative association is considering a scheme under The Natural Products Marketing Act, and undoubtedly they say that they speak for the producers who are members of their Association and controlling 90 per cent of the commercial honey. I think probably that is what was said in connection with the marketing of wheat – that farm organizations with a very large membership have recommended, as they did, this system of marketing, it was felt that a vote was not necessary. Now, I believe, that in considering whether a vote should be taken or not, the board set up to administer the Act would take under advisement the representations made to them and what percentage of the particular commodity that the group presenting the scheme might control. Unquestionably they would take that under consideration.

**Mr. Tucker**: – Does the hon. member not recognize there is a difference between the representatives of the people, either in Parliament or the Legislature, feeling that they know what the people want, deciding that a matter should be handled by a board without a vote, and the Government doing so? I tried to make that point. I wonder if the Minister would deal with that. In the case of wheat, the representatives of the people in Parliament decided that it should be done that way, and also in the case of oats and barley we, as representing the people, decided that it should be done that way. It is proposed in this Act that the Government should be the ones to decide. I wonder if the Minister would deal with that particular aspect of it.

**Mr. McIntosh**: – I might say, Mr. Speaker, that I disagree with the interpretation placed upon this Act by the hon. Leader of the Opposition; the Government itself does not and will not, under this Act, set up the actual physical marketing board or boards. The producers themselves set up those boards and it will be the producer representatives that will come to the board administering the Act, and lay before that board a scheme for marketing; then that board in turn, will undoubtedly take under advisement the percentage of the total commodities represented by the group making the representation to come under the Marketing Act, and be so guided.

Now I, Mr. Speaker, have an open mind on the question as to whether we should make it mandatory for a vote to be taken or not. I have an open mind on that question. I got up, principally to state that this particular Marketing Act we have in Saskatchewan is practically identical with the Marketing Act they have on the provincial statute books in the province of British Columbia. The interpretation of their Act is that the producers of the particular commodity set up their own marketing agency. The interpretation placed upon our Act by the solicitor who has been closely associated with this type of marketing, is that the producer sets up the board for the physical marketing of the commodity. For that reason I have an

open mind as to whether we should make it compulsory that a vote should be taken.

**Mr. Danielson**: – Could you tell the House whether there is provision for a vote in the Ontario Agricultural Marketing Act?

**Hon. Mr. McIntosh**: – Yes, there are provisions made, either in the Act or by regulation, for a vote to be taken there.

**Premier Douglas**: – But it is not mandatory.

**Mr. Danielson**: – It may depend on the producers themselves. They may demand a vote.

**Hon. I.C. Nollet (Minister of Agriculture)**: – While at the present time, the mandatory feature of taking a vote no doubt would prevent the setting up of marketing boards, particularly in poultry, there are all kinds of practical obstacles to setting up a board under the mandatory circumstances of the vote. I don't intend to deal with the practical difficulty there, but I would like to make some reference to the observations made on the principle of whether or not a vote should be mandatory on the part of producers that are asking for the setting up of their own marketing agencies. I think we should look at that from the point of view of what is the purpose of these producer boards, and what has been the history of the voluntary procedure. When we look at the voluntary procedure, the producers have discovered over the years that it has been a dismal failure. We learned that with the Wheat Pool, and as long as I can remember in my association with farm movements, we have asked Government to perform the function of marketing, particularly in some commodities as in the case of the Wheat Board.

I was almost convinced, Mr. Speaker, that the Leader of the Opposition had something in his criticism, but when he made reference to the fact that when the organized farmers not only of the western provinces but of Canada, asked the Dominion Government to place coarse grains under the Wheat Board, they had no alternative but to listen to their demands because they represented the farmers of the Dominion of Canada. Bear in mind these were organized farm people, and Mr. Speaker, it was a precedent. No one pays much attention to anyone else that is not organized. I would like to point out, for instance, in the legal profession, which is highly organized – and so is the medical profession – their tremendous power is far more than that which any producer board is going to get here. This producer board will still be subject to marketing regulations, but these other organizations with wide powers not only to discipline their own members but to tell the public how much they are going to pay for the services rendered. Now, here come the poor producers along, and all they want is the opportunity to place their case before a government board, requesting whether or not they can set up marketing boards for the purpose of assuring their producers that they are going to have a remunerative return for their labour. I don't see anything fearful about that, and certainly it is stretching the imagination to say that it is not democratic unless you take a vote.

Mr. Speaker, I would be somewhat concerned about that had we, the farmers, had an opportunity to vote on the present system, but we have had no opportunity to vote on that. It has been foisted upon us, and we farmers know that it is exploitative in nature and we want to get out from under it. We know, too, and it is in the interests of the trade – private

enterprise trade or call them ‘capitalists’ or anything you want – to have a vote, so that they can get out there and muddy the waters up like they have been doing right along. That is not democracy.

I think the democratic attitude is to listen to the voice of your organized producers, the same as we listen to the voice of organized labour and the same as the lawyers and the doctors do – they pay no attention to people outside their organizations; and, as the hon. Leader of the Opposition has already mentioned, they listened to the voice of the organized farmer in the case of coarse grains under the Wheat Board. Why do you not listen to the voice of the organized farmer now; of organized producers where it will be absolutely impractical to have a vote?

The thing that concerns me is not only the practical phase of it but the great need for it. If we are going to delay – as a matter of fact, the Federal Minister of Agriculture criticized this administration very vehemently when he was out west. He said, “You have done nothing under your legislation yet”; of course, they had just passed their so-called complementary legislation before the Federal election of 1949, but he said “you haven’t done anything yet”. I would like to bring the attention of this House to the fact that they did try to do something in B.C., and only ten per cent of the poultry producers registered a vote at all. That gives you some indication of what will happen, and if we have to go through this whole rigmarole of putting it to a vote and that being mandatory, Mr. Speaker, I think that we will be lucky if we have any producer marketing boards at all. We should bear in mind these are producer marketing boards operated without interference from the Government, except to come under the provisions of other legislation. It is regulatory, in the case of the poultry trade and dairy products, if they should get into that. I can’t see any danger of precedent here whatsoever, Mr. Speaker, and like some of the rest of the members I have a completely open mind with the one exception of this mandatory feature saying there must be a vote. I think that ought to be removed and these producers given an opportunity to freely express their opinions. I notice the Premier smiling; again I suppose he says that I have not any strong feelings, but I am against the mandatory feature of it.

I am sick and tired, Mr. Speaker, of all this talk when it comes to the producer making representation: “Now, boys, you must be democratic, you must vote”. Well, as I said before, if we had had a vote for this present system and if every time the grain trade moves, or if the private produce dealers will come to the farmers every time they change policy and put it to a vote, well then, I am all for it. But they don’t do that; but when you want something in the interest of the producer, to be run and managed by the producer, then they get concerned about democracy. With all the safeguards mentioned by the Premier and with other safeguards such as that the legislation can be repealed, all of this can be done.

Then too, Mr. Speaker, without other appropriate action being taken, I don’t know how successful we are going to be with these voluntary producer boards. I know that before we make this whole thing is workable, there are going to have to be several Government boards to take care of the surplus commodity and dispose of it on the world’s market. So you are going to have a board in the final analysis, and I didn’t know that any of the coarse grains half-under the Board – half-speculative and half-under, which I didn’t like. That has been pretty well the pattern followed by both old political parties: make believe they are going to give the producer something

and be very careful about giving him any rights; raise the old bogey about loss of freedom and that sort of thing. Well, we don't want it 100 per cent compulsory – no! But it has been 100 per cent grain exchange; it has been 100 per cent exploitation, and I will welcome the day, any time, vote or not vote, or any other proposition that will give these farmers economic justice and economic freedom and right.

**Mr. Danielson**: – The hon. Minister said that the history of voluntary marketing had been a dismal failure, and then he said, "look at our Wheat Pool". Well, I would like to point out to him that the Wheat Pool is one great example of voluntary co-operation, if there ever was one. It is the biggest and the strongest farmer organization in the world today, and they voted. It was a 100 per cent vote, and I helped to organize it and put it over, because I was a Wheat Pool delegate at that time. There was an attempt made by certain groups, and I am not criticizing them, to make the Wheat Pool a compulsory 100 per cent Pool, and the farmers said they did not want it, and they said so very decisively. I want to point out to the Minister that everything that you have in the world today that has proven a real success has been by voluntary co-operation, and that is what we want now.

**Mr. A.H. McDonald (Moosomin)**: – Mr. Speaker, I have listened with a great deal of interest to what has been said so far, in the House, this afternoon. I was very interested to hear the Minister of Agriculture say that the organized farmers of this province are clamoring for the provisions of this Act, but I would also like to say that there are a good number of farmers in this province who are not organized, probably more than there are organized today, and I agree with some members on this side of the House when they say that they would like a little time to go back to their constituencies and find out what their view is with regard to this Bill. With that explanation, Mr. Speaker, I beg leave to adjourn the debate.

**Mr. Speaker**: – I want an expression from the House.

**Premier Douglas**: – I would repeat the suggestion I made before. It makes no difference to me, but I just want to make that suggestion that, if the members would allow this to go into Committee of the Whole and leave it there, if any member wants to move, after we get into Committee of the Whole, that this particular section be struck out (I imagine most members want to pass the other sections anyway) then it can be put to a vote there and I will undertake to leave it in Committee for a week or whatever amount of time the members want and give them time to contact farm organizations or contact their constituencies. It can just as easily be taken up in Committee of the Whole as it can be here, because, if the members don't want the Bill, I have to withdraw it and introduce a new Bill with this clause out; so it can just as easily be taken up in the Committee of the Whole as far as I am concerned.

I have made it perfectly clear that I like the mandatory provision. Farmers' organizations have brought very strong representation and, as the Leader of the Opposition has said, in the matter of coarse grains in the Wheat Board, farm organizations had made strong representation and it was felt that it was a pretty well representative viewpoint. I still feel that it is a representative viewpoint, and I put it before the members and, if the members wish, they are perfectly free to turn it down. I agree that in the meantime they probably want to discuss it with their farm organizations.

I feel quite sure it can be done as effectively in Committee of the Whole as it could be by debating it further on Second Reading.

**Hon. Mr. Nollet**: – I would like the privilege of correcting the mis-impression that I gave to the hon. member from Arm River. I noticed that he quoted me as having said that the Wheat Pool was a 'dismal failure'. Not the Wheat Pool as an organization, but simply because it did not have the powers to deal with the international situation. It has been a complete success as a marketing organization.

The motion of Mr. McDonald was agreed to and the debate adjourned.

The Assembly adjourned at 6:00 o'clock p.m.