

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Thirteenth Legislature
40th Day

Wednesday, April 10, 1957

The House met at 10.00 o'clock a.m.
On the Orders of the Day:

CONGRATULATIONS TO SASKATCHEWAN BARITONE

Mr. Karl F. Klein (Notukeu-Willowbunch): —Mr. Speaker, before the Orders of the Day I think we should, at every opportunity, advertise Saskatchewan products, particularly if they are people. I would like to draw the attention of this Assembly to a young man who was born in Lafleche and was educated at the University of Saskatchewan, and who is today making a tremendous success in Western Europe. His name is Emil Belkerson, and I have circulated a picture of him. I would like to take some time to read one or two of the critics' comments on his success in Europe. One critic says, "It does not require much courage to prophesy his ascent to the top rank of his professional class. Besides his versatile expression and the easy baritone voice, and particularly with the high notes, he possesses a highly developed style in an intelligent modest art. In his recital he presented something which one cannot learn — poetry".

In the Vienna Daily we read: "He sang as excellent as many a high-rated international opera star. His voice appears to have plenty of reserve strength, so much more in the opera stage success, to affirm that the singer certainly, one day, will be on the records of the Fisher recording his singing of Brahms, Wolf, Debussy, Ravel, Polac and Schubert, released a true applause of enthusiasm". All the critics in newspapers I have received clippings from seem to think that he is one of the newfound stars of the world. I think it is noteworthy, and would like to draw the members' attention to it.

GOVERNMENT INSURANCE LOAN

Mr. J.W. Gardiner (Melville): — Mr. Speaker, before the Orders of the Day I would like to draw to your attention some information which has come to my attention during the last two days.

You will remember, Mr. Speaker, that in 1951, a loan was made by the Saskatchewan Government Insurance Office to a theatre in Weyburn, owned by Mr. Philip Bodnoff, at that time a partner with the Premier and the Provincial Treasurer in a theatre undertaking in Regina. The loan on that occasion was made for the construction of a theatre in Weyburn with which the Premier and the Provincial Treasurer had no direct connection. During

April 10, 1957

the Crown Corporations Committee we were informed by the Provincial Treasurer . . .

Mr. Speaker: — Order! The hon. member must not bring up anything which might create a debate before the Orders of the Day.

Hon. Mr. Brockelbank: — Sit down.

Mr. Gardiner: — This is just asking for information on a statement of information which I have received.

Hon. Mr. Brockelbank: — Mr. Speaker, he cannot ask questions and dress them up with a whole lot of material that leads to debate. He is entirely out of order on this.

Mr. Gardiner: — Mr. Speaker, this is a matter of information. I have a document here and was just going to ask the Government for information with regard to the particular matter.

Premier Douglas: — Mr. Speaker, if the hon. member is going to ask for information, he should ask for information. Now he is attempting to give information, some of which is not accurate.

Mr. Gardiner: — No, this is information which has already appeared before the House. It has been debated here.

Premier Douglas: — Mr. Speaker, the hon. member says this is information which has been before the House. I say it is information which is not completely accurate. If the hon. member wants to start a debate on this matter there are methods and procedures for doing that; but certainly not under the pretence of asking for information, and then proceeding to give inaccurate information.

Mr. Gardiner: — Well, without any preamble, then, I will just give the information that I was desirous of asking a question on, because there would be no place before the end of the Session to ask the question. The information I have here in an Abstract of Title shows the loan made to Theatre Under The Stars, City of Regina, was \$33,750 in April, 1956 – the document was registered in May, 1956. The theatre has been closed . . .

Mr. Speaker: — Order! Order! Order!

Hon. Mr. Fines (Provincial Treasurer): — Mr. Speaker, in order to make things abundantly clear, may I point out that there has been no loan made to Mr. Bodnoff or to any theatre with which he is associated, upon which every payment has not been made right up to date.

Mr. Speaker: — Before the Orders of the Day are proceeded with, the members will be wondering when the Annual Meeting of the Commonwealth Parliamentary Association is taking place. Now, this year a dinner has been arranged, to be held in the cafeteria this evening at 5.45 p.m., and the business which is usually done in this Chamber, and some additional business – the presentation

of life memberships to some of our past members, will be made at that dinner. It is very desirable that as many as possible of the members should be present. The time is 5:45 this evening.

SECOND READING

Bill No. 103 – An Act to impose a Tax on the Income Derives from Insurance Premiums

Hon. C.M. Fines (Provincial Treasurer): —Mr. Speaker, this is the Bill which provides for the tax on insurance premiums. This is the Bill which I announced during the Budget address. I may say that this Bill has been introduced all over Canada, and each of the provinces are taking it over. It does not mean any change in the premiums, because the people of Canada have been paying a two per cent tax on insurance premiums. It is unfortunate that, when the Budget was introduced, there was a statement attributed in the paper to Mr. C.M. Dunn, who stated that if the Provincial Government had left it alone after the Federal Government had relinquished it, the insurance companies would then have been in a position to lower the cost of premiums.

It is true that, two weeks later there was a correction in `The Leader-Post`, but I am afraid that probably some people saw the original (which was in with the budget news) and did not see the other. I may say that I had a letter from Mr. Dunn on March 13, and he at that time, immediately the paper came out, had told Mr. Rogers, the editor of The Leader-Post, that what he had said to the reporter was exactly opposite to what appeared in the paper. He said: `I told the reporter was that the province stepping into the two per cent tax field vacated by the Federal Government would make no difference whatever in premiums; that premiums were uniform across Canada; what one province would do would have no affect on premiums. Further, it is my understanding that all the provinces were following the same course. The reporter tried to put words in my mouth, and I corrected him. I know you probably, like myself, have had experiences of this kind during your public career.` I think we all have, Mr. Speaker,

I also had a letter from the Canadian Life Underwriters` Association from Mr. Tucker who is the solicitor in Toronto. Mr. Tucker was good enough to forward to me a letter which he had addressed to `The Leader-Post` under date of March 12, protesting very strongly against the article which appeared in the paper at that time. "The Association", he said, "had been very encouraged by the way in which its representation to the Saskatchewan Government, and Governments of the other provinces had been received, and it follows that the life insurance companies are not opposed to the tax . . ." So there is no difference of opinion. It is a Bill which has been introduced in every Legislature in Canada. It simply transfers from the Dominion government to the provinces, this two per cent tax, and that is the purpose of the Bill for which I shall now move second reading.

April 10, 1957

(Motion agreed to, and Bill referred to a Committee of the Whole at next sitting.)

WHEAT PRICE POLICY

The Assembly resumed from Tuesday, April 9, 1957, the adjourned debate on the proposed motion of Mr. Coderre:

“That this Assembly recommend to the Government of Canada that some means be devised whereby the Canadian Wheat Board will receive for distribution a sum not less than \$2.10 per bushel for wheat sold for human consumption in Canada.

And further that the Canadian Wheat Board pay to the producer \$2.10 per bushel of wheat, Basis No. 1 Fort William, for the first 1,000 bushels delivered in each crop year by each farmer.”

and the proposed amendment thereto by Mr. Elias:

“That all the words after the word “Canada” in the first line be deleted, and the following substituted therefore:

“that the said Government establish, through the Canadian Wheat Board, a multiple-price system for wheat, whereby initial units, sufficient to satisfy domestic consumption would be sold at parity prices, with subsequent delivery units to be sold at the best export prices obtainable through the International Wheat Agreement.”

Mr. A.L.S. Brown (Bengough):—Mr. Speaker, at the risk of making myself rather unpopular, I intend to be extremely brief, although there may be another reason or desire that, out of necessity, I might also have to be brief.

When I adjourned the debate, yesterday, I suggested at that time I wished to prepare an amendment to the amendment proposed by the member for Rosthern (Mr. Elias), and I propose to move such an amendment at a later point in my remarks; but, so that House will be clear as to what amendment I do propose to move, I now suggest that I read it at this time, and move it at a later point in my remarks: That the Amendment be amended in the following manner:

(1) That the period after the word “Agreement” in the last line be deleted, and the following words added:

“and any other export marketing medium or agency.”

(2) That the amendment be further amended by adding thereto the following paragraph:

“And further, that the Government of Canada, through the medium of such means as the Agricultural Prices Support Act, undertake to establish a permanent marketing program which will secure to the producer for all wheat sold into commercial channels, a price that will bear a parity relationship to farm costs.”

The motion as originally introduced by the member for Gravelbourg (Mr. Coderre), as I interpret it as it appeared at that time on the Order paper, suggested that the Canadian Wheat Board should, upon the domestic market of Canada, sell wheat for \$2.10 a bushel, which I presume in his mind is somewhere near the parity level that might be arrived at, as far as wheat is concerned. There might be some doubt in my mind as to whether \$2.10 a bushel, as he suggested, is today actual parity; but I would have no quarrel with that, because I do appreciate there are different means and different methods or views in arriving at the principle of parity price for wheat. Whether it is \$2.10 a bushel, or whether it might be \$2.25 or \$2.30 a bushel, I don't think for the purpose of this debate it is too important. He was enunciating a principle, however, that we should establish in Canada the two-price system. That is, we have a right as Canadian citizens to ask the consumers of bread in Canada to pay the cost of production for that wheat which is consumed in Canada. I suggest that that is an admirable desire and an admirable objective. It is unfair to ask the wheat producer of Canada to subsidize the bread consumers in Canada. To that extent, if that is the intent of the original motion, I wholeheartedly agree with that principle.

The second principle which he was enunciating was that the first 1,000 bushels of wheat delivered by any producer, should command the returns from the wheat sold on the domestic market (namely \$2.10 a bushel), and once again I can agree with that principle. The amendment moved by the member for Rosthern (Mr. Elias), in other words, enunciates exactly the same principle, in my mind. It does, however, rather than set the price, enunciate the principle of parity, and for all general purposes in this debate here, I think we can agree – or at least I am prepared to agree, this debate here, I think we can agree – or at least I am prepared to agree, that the \$2.10 could represent parity in a general way and a general manner.

However, I do suggest, Mr. Speaker, that I was somewhat amazed that such a resolution would come from the member for Gravelbourg into this Legislature, for as I recall, it was only one year ago, just about this time when the Select Special Committee on Marketing and Farm Income, brought its report into this House, and one of the things we suggested in that report, among many others, was that the Government of Canada should establish the two-price system, and that domestic wheat should be sold on the basis of parity to consumers in Canada. The then member for Meadow lake moved an amendment to that report striking out that provision, and my good friend from Saltcoats (Mr. Loftson) spoke at rather great length in respects to the amendment

April 10, 1957

proposed by the ten member for Meadow lake, and he at that time endorsed the principle of striking out of that report the request that we have made for the two-price system. If the member for Gravelbourg had been able to convince his colleagues, who helped him, that the theory and the principle of the two-price system and parity for domestic wheat sold in Canada, is a good principle, and they have agreed, then he has indeed rendered a service not only to the farmers of Saskatchewan but to the Liberal party as well.

In considering this question of the two-price system for wheat, I think we must realize and we must appreciate that the agricultural industry is the only industry in Canada as a whole which operates on an unprotected market. Practically every other commodity produced in Canada does operate on a protected market, and when we suggest that the consumer of wheat in Canada should provide parity price for the wheat consumed, I cannot accept the theory advocated by some people that you are placing agriculture, and the wheat producer in particular, in a preferred position. However, the wheat consumed in Canada is only a relatively small amount of the wheat sown in Canada, and it has always been my contention, and I think the contention of those people who have been associated with farm organizations, that agriculture as an industry is entitled to be placed upon a parity relationship with other industry in Canada; that it should be placed upon an economic equality with other industries, and that those people engaged in it should be placed upon an economic equality, both economically and socially as well with people in other industries. To obtain that, we must prepare to go somewhat farther than simply advocating a domestic price based on parity for wheat consumed in Canada. We must be prepared to go even further than that. We must be prepared to establish here in Canada a n economy by which that equality is translated into the farming populations in a real attempt, rather than in an abstract fashion or in a partial method such as would be suggested by the original resolution.

It is for that reason that I suggest that, as our long-term objective in Canada, we establish a marketing system which will assure the producers of wheat, on all wheat which they sell in commercial channels that they will receive a price which will bear some just relationship to farm costs. I realize, and appreciate, that that might make some fundamental changes in our Canadian economy; but I do suggest that we, having a responsibility to the agricultural industry, should lose no opportunity to continually further that desire and that objective.

I am not alone in advocating this particular proposal. Farm organizations, as I have suggested, have advocated it; labour organizations have advocated it; and the Gordon Commission which submitted its preliminary report in January recognized the same principle when it said that it was unrealistic to expect the wheat producers to be left to their own resources; that due to the conditions under which wheat is produced here in Canada, the farmers could not be expected to solve their economic problems by themselves, and their marketing problems.

In the amendment I am proposing to move, Mr. Speaker, I am suggesting that one of the means by which we could guarantee a parity

relationship for the wheat we sell, as compared with the cost of production, would be through the medium of using such means as the Agricultural Prices Supply Act. I realize that, as the Agricultural Prices Support Act presently standing, it does not provide for underwriting the price of wheat. I do suggest that Agricultural Prices Support Act could be revamped so that it could place a realistic floor under the selling price of the wheat that comes within its scope. I realize, Mr. Speaker, that it has been enunciated as government policy on some occasion from Ottawa, that the Agricultural Prices Support Act is to the agricultural industry what Unemployment Insurance is to the labouring people of Canada. I cannot accept that theory, and I do not propose to accept that theory if that is the best we can make of the Price Support Act.

I might also suggest that in the Gordon Commission's report, they have gathered that same feeling as far as the Prices Support Act is concerned, and they have a tendency in this report to compare the Prices Support Act with the Unemployment Insurance. I do suggest that we must impress upon our Government of Canada that the Prices Support Act must be much more than an Unemployment Insurance; that it must be used for the purpose of not only placing wheat but other agricultural products, with a floor under them, and that it does bear some relationship to the cost of production.

I might even go further, Mr. Speaker, and suggest that certain of our other commodities might have a floor placed under them through the medium of forward pricing, and other means in that direction. But wheat, and the very nature of its production, is not influenced, and has not in the past been influenced at least, and I doubt if it will in the future be influenced too much by the change in price, as far as the selling price is down, instead of your production going down, your production has a tendency to increase, so that the farmers in western Canada, and Saskatchewan in particular, have regarded wheat as one of their cash crops, and as such they increase their wheat acreage in an endeavour to get an increased amount of cash at the time of harvest, and to supplement their income at a time when it is most needed. Therefore, I think that, in the long-range view, if we are going to bring economic equality to the wheat producers of this province, the only way we can do it is by putting or placing wheat under a revamped Agricultural Prices Support Act.

I have, as you will note from the sub-amendment, added one other part to the amendment proposed by the member from Rosthern. He suggests that the Canadian Wheat Board sell over and above the domestic wheat sold in Canada at the best export price obtainable through the International Wheat Agreement. Now, I realize it would be a marvel, possibly, if all our wheat could be sold on the world market through such an agency as the international Wheat Agreement, but basing it on reality, we realize that is not the case. A good proportion of our wheat must be sold under the International Wheat Agreement and for that reason, I suggest in the amendment which I propose to move, that we also use other exporting mediums and/or agents.

April 10, 1957

Now this, in addition to providing additional outlets also suggests to the Government of Canada that they might undertake to use other mediums in expanding our wheat sales; that they might use such means as we suggested in the report, one year ago, that in effect, they might use the means of accepting foreign currency, or using the medium of barter exchange for the wheat. I think in advocating a marketing policy we must not overlook those two important mediums of increasing our sales, and possibly, in keeping the price which we will receive for our exported wheat.

As I suggested, Mr. Speaker, I intended to be brief this evening. I think I have enunciated the three principles which are essential for a well-balanced wheat economy here in Saskatchewan, and one which I think contains all the elements of justice that we, as wheat producers and consumers of wheat in Canada, should obtain. The first is that the consumers of Canada should not be subsidized by the wheat producer; secondly, that we use whatever means we can to assist those people who are on smaller farms in western Canada but who in spite of the fact that they may be on the smaller farms, are essential to our Saskatchewan economy; and thirdly, that we undertake to advocate that our markets be expanded in the best and most efficient manner, possibly; and fourthly, that we not lose sight of the fact that our main objective must be to bring parity to all classes of people, and that that can only be done through the medium of a parity price, as far as the wheat producer is concerned, for all wheat sold into commercial channels. I, therefore, move the amendment be further amended, seconded by Mr. Dewhurst, as previously read.

Mr. Cameron (Maple Creek): — Mr. Speaker, before the debate proceeds, I wonder if the hon. member would permit me one question? I would like to ask the hon. member if he could tell me very explicitly what he means by “that will bear a parity relationship to farm costs”. Is that 100 per cent parity, or what relationship are you interpreting?

Mr. Brown (Bengough): — Well, certainly I would have advocated that we here as agricultural producers should not be satisfied with anything less than 100 per cent parity.

Mr. F.A. Dewhurst (Wadena): — Mr. Speaker, I take great pleasure in seconding this amendment to the amendment, as moved by the hon. member from Bengough. I think if any of the hon. members of the House would care to take the thirty-second annual report of the Saskatchewan Wheat Pool, he will find a lot of statistics, facts and figures in the report, which summarizes the situation of the farmers, especially of Saskatchewan.

In the report of the Wheat Pool, they give the source of their figures whether it be the Dominion Bureau of Statistics, or some other source. They show here some different tables – and I won't take too

long to go over many of them. they show that, since 1946 the farm cash income for Canada as a whole has increased by eight per cent – that is, taking 1946 as the basis of 100; but in Ontario, they have enjoyed more than the national average. Ontario has 158.3 per cent, or an increase of 58.3. Nova Scotia is somewhat above the national average, but in Saskatchewan, our net farm cash income is only 8.6 per cent higher now than it was in 1946.

When we realize what this means to agriculture of the west, to our own economy, it should make us all stop and think, and take stock of the situation in western Canada. When you realize that, in 1955 – I may say there figures I have just quoted are for 1955; when you realize that in 1955 the net cash income for the farms in Saskatchewan was less than half what it was in 1951, 1952 and 1953, and down by 24.8 per cent for 1954, it shows what is happening to agriculture in the west here.

During the same period of time things have gone worse on the other end of the scale for the farmers. In 1946, we received 13 per cent of the national income. We had approximately 20 per cent of the national population engaged in agriculture, but received 13 per cent of the national income, and, Mr. Speaker, it is lower than that today. During the same time the purchasing power of the dollar, based on the 1946 level, had declined by 37 per cent. So, on the one hand, our third percentage of the national income had fallen from 13 per cent to 7.9 per cent and, on the other hand, the dollar also declined by 37 per cent. The fixed farm cost of Saskatchewan today, due to the mechanization of farms, runs approximately to \$320 a year in Saskatchewan agriculture that we have to find as farmers, to carry on our operations. We could no longer do as we used to do in the older days, hitch up the horses, work them all day and turn them into pasture for the night to find their own food. We have to put gas in the tractor; we have to have repairs. So the fixed cost of agriculture has gone up. It is essential, therefore, that we should have a fair share of the national income for agriculture, and I agree with the mover that farmers have the right to expect that we should have a fair share of the national income. We should have for agriculture, in relationship to other segments of society, what is justly coming to us. We are not asking for prices above parity so that we will get special subsidies; we are just saying to the Federal Government that a policy should be worked out whereby we get equal to other segments of society – no more and no less.

If we can do that, then agricultural practice today (and wheat is the main commodity) will definitely have to take an upward trend. If they want us to produce on the 1946 prices for wheat; if the Federal Government will take the steps to put their cost of production down and our price climbs up, we are all right. We are not asking what the price should be, as long as it is parity.

I am not going to bore the House at this late hour, although I have a lot of statistics from this annual report of The Wheat Pool, which

April 10, 1957

could bear to be put on the records of this House. However, I will ask any of the hon. members who do not have a copy of this report to write to the Saskatchewan Wheat Pool, get a copy of the annual report, and study it. They will find some very interesting facts and figures in it. Mr. Speaker, it has given me a very great pleasure in seconding this amendment to the amendment.

Mr. A.P. Weber (Meadow Lake): — Mr. Speaker, I am just going to take a very short time in expressing some remarks on what the amendment to the amendment brings out, and to me it seems that it is too unreasonable at this time to place before the people of Canada to get some fair consideration. In my way of thinking to ask for a complete parity price of one kind is asking for a little bit too much, maybe, I am wholeheartedly in agreement with the hon. member in his amendment to the amendment; but if we are going to go out and get something for our farmers, I say let's go out and get it, but let's be reasonable, too. If we are going to ask for something that is going to be turned down by the Federal Government, due to the fact that the rest of Canada are going to pass along their opinions on this matter, too, although I think the hon. member's request is reasonable, I do not think we can convince the rest of Canada that our request is reasonable. Most of these requests which we have made to Ottawa have not received too much attention, because we are trying to start at the top and getting something, where actually we should be starting at a reasonable level.

I maintain that in our amendment to the original motion, we made a reasonable request, based on what is required for home consumption in Canada, and also to use the present channels which we have for marketing of our grain, which were set up by the people of all of Canada, not by just a few people in the west or the east. All Canadians approved the Wheat Board and the International Wheat Agreement which are present methods of marketing our grain.

I would like to impress on this Assembly at this time that, if we go to Ottawa with a request that is based on sensible facts and figures and leave it in the hands of their present marketing agencies and selling agencies to work out a price, and what I shall call a 'unit system', which naturally would have to be worked out by the Wheat Board in any case; if we bring that to Ottawa in a sensible form, I am quite sure they would give it plenty of consideration. But, if we are going to ask for too much, the rest of Canada is going to figure, well, it is just another case of the farmer wanting everything. We have heard that in years gone by, and I am quite sure, if our request comes in the nature of full parity price for all grain produced in western Canada, then we are not going to get the consideration from Ottawa, which I hope we could get through our original amendment.

I would not like this Assembly to have the impression that I am not wholeheartedly in favour of the farmer getting parity price all across the board, not only for his grain but for every other product that

he has on the farm. I still maintain, however, that we have to start in a business-like way on some basis where the other fellow, who is paying part of the shot, will realize that that we are asking is the thing that is right and just. If we ask for a complete parity price at this particular time, in my opinion it would be quite a shock to the rest of Canada, and I am afraid it would not get the consideration which it actually does merit. A lot of cold water would be thrown on any plan that Ottawa might think of immediately, and naturally all our requests would be disposed of in the usual manner – which is, in my opinion, the waste-paper basket.

Our amendment is a sensible, sane, reasonable amendment which nobody can dispute, and I think that is the basis (if that was instituted originally) from which we could go and ask for additional help as we see it. Therefore, Mr. Speaker, I cannot support the amendment to the amendment.

Mr. Isaak Elias (Rosthern): — Mr. Speaker, I would like to say just a few words about this amendment to the amendment. I am in full agreement with what my colleague has said. We are in agreement with this amendment to the amendment – but it is the ideal, isn't it? As my colleague said, maybe we are asking, at this moment, for just too much, and maybe then we won't have anything.

I am quite in favour of 100 per cent parity on 100 per cent wheat production, but at this time I do not think we should ask for 100 per cent parity on the total, but rather 100 per cent parity on part, and that part is the wheat that is used at home as domestic consumption. The farmers in Canada can be divided into two classes today. There is that class of farmers that is disappearing off our map, and there is that class of farmers that is getting to be more in number; that is, the smallest farmers are disappearing in number, and the large operator is increasing in number.

I haven't got the books with me – they're already packed away; but on pages 92 and 65 of the Royal Commission Report (these big brown books that we have) they give us tables which indicate so clearly higher in relation to the cost per bushel of the large operator. Now, who is actually needing the greatest assistance today? It is the small farmer, and I, for one, am very concerned about the welfare of this group of people as they represent from 60 to 70 per cent of the farmers in Saskatchewan. They need assistance most at this time, and the amendment has not put them all on the same basis again – the small farmer and the large operator; all will be getting the same price for their wheat.

The second objection I have to this amendment is that that portion of the price which will amount as parity on the total bushels of wheat will call for a Federal subsidy, and I for one do not believe in that principle. So I would be wholeheartedly in favour of this amendment if it

April 10, 1957

had been brought in at a different time in history; but right, today, I think we will be defeating our very purpose.

Mr. A.H. McDonald (Leader of the Official Opposition): — Mr. Speaker, it was not my intention to take part in this debate, but in view of the amendment, and the amendment to the amendment, I feel that I must say a few words at this time.

When we introduced the motion it was my feeling that this motion would meet the favour of members of this Legislature on both sides of the House, and I was in hopes that, for the first time in many years, we could come to a mutual agreement on a policy, as far as wheat is concerned, that would benefit the farmers of the province of Saskatchewan, and the western prairies. I had hopes, and reason to believe, that this resolution would have the support of members on both sides of the House, and I think it is indeed unfortunate that the member for Rosthern, in the first instance, should have moved an amendment to our resolution that brought party politics back into this very important issue. I feel that, had that not happened, in the resolution put forward by my friends and colleague, the members for Gravelbourg, we were putting forward a new solution to the problem that the people not only in the province of Saskatchewan, no matter to what political faith they may adhere, would give favourable consideration to, not only that, but that the people of Canada would be prepared to give favourable consideration to this particular solution. Unfortunately now, we have degenerated back into the realms of party politics. Both the amendment and the amendment to the amendment are recommendations that have been made from time to time, and the people of Canada have seen fit, whether it is in their wisdom or not, to turn down these recommendations.

I think that is not unfortunate. I believe that, as members of this Legislature, no matter what political faith we may adhere to, it is our desire and our wish to promote a program to which the people of Canada will lend their support. I am not going to say here or any place else that we are endeavouring, or that the CCF party or the Social Credit party are endeavouring to promote a program for political purposes. I would not want to think that for one moment, Mr. Speaker. I believe that we all have the consideration of the agricultural economy of this province at heart, and I had hoped that the resolution as it was presented to this Legislature would have the support of members from both sides of the House, and as I mentioned earlier on, I had reason to believe that the original resolution would receive that support.

However, my hon. friend, the member from Rosthern, chose to introduce an amendment, and when he introduced that amendment, he made some amazing statements. The first statement he made that neither I nor anyone else can agree with, is that the producers of wheat in this province could sell 700 bushels apiece of wheat on the domestic market in Canada. I don't know where he got his figures; but when one considers that there are 228,000 producers in the western provinces of Canada, and relates that back to the

domestic consumption in Canada, which is about 60 million bushels a year, you will find that the amount of wheat per farmer produced and consumed in Canada is not 700 bushels per farmer, but about 250 bushels per farmer. I only wish that the member for Rosthern had had those figures before he introduced his amendment. Had he known the situation as it exists, I doubt very much that he would have introduced the amendment.

I want to emphasize that it is not my intention to support any resolution for political purposes. It is my intention to endeavour to support those resolutions that, I feel, might have the support of the majority of the people in Canada, so that we may have the support of those people and have a policy implemented that would help to rectify some of those problems that confront the agricultural economy of this province and of western Canada as a whole. I was grieved to see the member from Rosthern introduce his amendment in the first place, and, had he not introduced that amendment, I doubt very much if there would have been an amendment at all to this resolution as moved by the hon. member from Gravelbourg.

I hope that we, in our wisdom, can land our support to a suggested program that the people of Canada can and will support, too. This is too grave a problem to bring into the realms of politics. It is a problem that will require more bank loans, and I am sure it is a problem that affects those in agriculture industries, and the majority of the people who reside in Saskatchewan. So let us set politics aside; let us endeavour to bring forth a program. Supposing it does not meet all the needs, let it be a program of fair prices for the wheat that the farmer can deliver, and get the support of the majority of people in Canada for that program. Then at least we have done everything that is humanly possible to alleviate the situation that confronts the agricultural economy of western Canada. I felt that, when the hon. member for Gravelbourg introduced the motion, it was new; it was something that perhaps the people of Canada would support, and that it would go a long way to alleviating the problems that confront our agricultural economy.

I have said before, and want to say again, that I doubt very much if a program either of cash advances, or of bank loans in the early part of the season or in the harvesting season, would go a long way to rectifying the problem, and in aiding the western farmer in the province of Saskatchewan and other provinces. I again have reason to believe that the resolution as presented to the Legislature would have been given support by both sides of the House, and probably would have passed, and we would have had the opportunity in this Session of presenting a plan to the Government at Ottawa that the people of Canada could support.

I am disappointed that the member from Rosthern has seen fit to introduce an amendment to this resolution, causing a further amendment to be the amendment, and I feel now that we are back in the position we have been in for many years, of asking for something that the people of Canada have turned down from time to time. Again I feel that we are only marking

April 10, 1957

time and cluttering the situation, rather than presenting a program which the people of Canada could support. I am very disappointed, Mr. Speaker, and I want to reiterate, that it is my only wish and desire to present a solution to this problem that we, at least, had hoped the entire population of Canada could support, and so that we would at least be bringing something that confronts us. I cannot speak too strongly in condemnation of the amendment and the amendment to the amendment, and I want to say again that I doubt very much if the amendment to the amendment would ever have been made had it not been for the original amendment made by the member for Rosthern.

Premier Douglas: — Mr. Speaker, I have listened to my hon. friend speaking with some heat on this question, and I don't think that any note of political animosity has been introduced by any of the speakers who have spoken up until now with respect to this matter. I think there are honest differences of opinion.

Let us look at what is before us. First of all, the member for Gravelbourg (Mr. Coderre) introduced this resolution which followed out a suggestion with which I am in complete agreement, and I say very frankly that, if no amendment had been introduced and no sub-amendment, I would certainly have voted for his motion. But his motion, as I understand it, suggests, as we have been suggesting on this side of the House for years, that there ought to be a two-price system in Canada, and that the wheat for human consumption in Canada should be fixed at a parity price. It doesn't matter whether \$2.10 is the parity price or not — that is incidental; but it should be fixed at a parity price so that the farmer, for the wheat which he sold for the Canadian market, would get the same protection which almost every other section of the Canadian community gets for goods produced for sale in Canada; and that the money from that wheat sold in Canada, instead of being put into the general pool for distribution to all wheat producers, would go to help in paying the farmers on the first 1,000 bushels. I think it is a good idea, and I certainly would have supported that motion.

I want to point out two things, Mr. Speaker. First of all, I am very glad that the member for Gravelbourg has had more success than we have had in persuading the gentlemen opposite of the advisability of a two-price system. We tried very hard for a number of years to persuade the gentlemen opposite that we ought to have a two-price system.

Mr. Lopton (Saltcoats): — Mr. Speaker, on a point of order, a similar resolution was brought in here last year, but you saw fit to rule it out of order.

Premier Douglas: — We brought in a report, last year, with a provision for a two-price system for wheat and the gentlemen opposite voted against it. As a matter of fact, they moved an amendment to strike it

out. Not only in this House, but in their own convention, the proposal of the member for Gravelbourg had some trouble. I have here the extract from the Regina 'Leader-Post' of Wednesday, November 7, 1956, and this is an editorial entitled: "Enthusiastic Liberals" – a more rare specimen of the homo sapiens it would be hard to find; but the editorial writer said;

"Another resolution which sparked spirited discussion advocated the payment of \$ per bushel on the first 1,000 bushels of wheat delivered by each farmer in each crop year with comparable arrangement for coarse grain. While this might have been a popular vote-catcher at the impending Federal campaign, several delegates sensibly objected to this plan on the grounds that it would encourage the small farmer to produce more wheat instead of diversifying his operations to reduce his dependence on grain.

"The Convention, therefore, broadened the resolution, calling upon the Federal Government to consider policies to enable the farmer to obtain a fairer share of the national income."

Mr. McDonald: — Hear! Hear!

Premier Douglas: — "It suggested that such policies to be considered might include the proposed payment of \$2 a bushel on the first 1,000 bushels. In this way the delegates avoided a firm and definite commitment to a policy which, on careful examination, most probably would be dismissed as being entirely impracticable."

So the proposal which the member for Gravelbourg has made to the House apparently did not get too good a reception even at his own convention when it met in November.

Mr. McCarthy: — That's just an editorial.

Mr. Cameron: — You don't believe what you read in the 'Leader-Post' do you?

Mrs. Batten: — That's where he gets his ideas!

Premier Douglas: — The one time I know the 'Leader-Post' will be truthful is when they are speaking on behalf of the puppets, the strings of whom they pull.

Mr. McDonald: — Never let it be said they speak for the Liberal party.

April 10, 1957

Premier Douglas: — So, on the resolution itself, I say we would have supported it although there was not much indication that even the Liberal party in Saskatchewan could support it, and no indication whatsoever that the Federal Liberal party would support it . . .

Mr. McCarthy: — Why don't you try them?

Premier Douglas: — . . . because they have had twenty-two years in office and there hasn't been a single thing to prevent them putting this program into effect. It has been advocated in Ottawa, and it has been advocated here, that we should have a two-price system; and certainly the Government at Ottawa doesn't need to be instructed by this Legislature on how to set up a two-price system. They have known for many years how it should be set up.

Mr. Cameron: — You're destroying your own argument.

Premier Douglas: — The fact that they haven't acted on it is the best proof, of course, that they haven't any intention of doing it. But as I say, I would support the principle of the two-price system. I don't think it would solve all our problems, but it would solve one small part of our problem.

Then the member for Rosthern (Mr. Elias) moved an amendment and, frankly, in my own opinion, the first part of the amendment is simply a repetition of the motion which he was seeking to amend. It simply says in slightly different words that we ought to have a two-price system and that, for that part which is sold in Canada, we should pay the farmers the parity. Then he adds that "subsequent delivery units should be sold at the best export price obtainable under the International Wheat Agreement." So because of the latter part being added, which the original motion had overlooked — that is what we were going to do with the rest of the wheat that we don't sell in Canada — I think the amendment was an improvement; but the first part of the amendment really just repeats the proposal put forward by the member for Gravelbourg.

The sub-amendment, it seems to me, seeks to say that while we agree, while the sub-amendment doesn't strike out, it seeks to add another provision and that is a recognition that giving the farmers a parity price for his first thousand bushels will help him, but over the long run it will not solve his problem; that there can be no permanent solution to agriculture's present situation until the prices farmers receive for their products bear some relationship to their cost of production. We can put all the poultices on we like; we can supply all the palliatives we like, but until we deal with this fundamental problem agriculture will continue to be a depressed industry; and I have recollections as far back as 1949 . . .

Mr. Lopton: — Would the hon. member permit a question? I just wonder how you would apply a parity price having relations to the cost

of producing a bushel of wheat, where some sections of Saskatchewan are producing 30 and 40 bushels to the acre and another section only 10; and invariably where the 10 bushels per acre is being grown it costs the farmer almost twice as much as it does where the 30 and 40 bushels to the acres are being grown. How would you establish a price comparative with the cost of production?

Premier Douglas: — Well, Mr. Speaker, I am perfectly aware of the fact that you cannot guarantee to pay each farmer what it cost him to grow a particular bushel of wheat. He may be a poor farmer or he may have a piece of land that is uneconomic, or he may have spent a lot of money on some particular piece of land that is not productive because of bad conditions that year, or because of frost or rust or flooding. You cannot say that whatever you grown on that land we will pay you what it costs you for each bushel of wheat. What we do say is that there must be some relationship between the prices he receives and his cost of production. I am not going to estimate how you would arrive at that. You cannot arrive at it for each individual farmer; but what you have to do is try to set a period in our economic history when there was some basis of relationship. We were reasonably close to some basis of relationship about 1945, and if we assumed that there was a fair relationship then, we could take that as 100 for both commodities and, as the costs go up or down then the price the farmer would receive for his farm commodities should go up or down; but the relationship should remain more or less constant.

There will still be farmers who probably cannot produce any particular commodity, whether it is cattle or hogs or coarse grains or wheat, for that price because they are not economic producers and nothing anybody can do can keep an uneconomic producer in business; but the great majority can continue operations if their price fluctuates with their cost of production. That is the whole purpose . . .

Mr. Loptson: — I have another question, just for information. You know this is an interesting discussion. during the last six years, or I think probably since 1945, but particularly during the last six years there has been a section of this province that has had wonderfully good crops and the present price, even the present floor, would make them wealthy if they could sell their grain, whereas a large portion of the sections . . .

Mr. Speaker: — Order! Order! The hon. gentleman may ask a question but not make a speech.

Premier Douglas: — Mr. Speaker, I am quite glad to have the interruption . . .

Mr. Loptson: — I just want to draw your attention to this.

Premier Douglas: — . . . if it doesn't keep the House too long. I think the answer is very simple, My friend says there are parts of the province where they have had very good crops; he says, of course, that

April 10, 1957

if they could sell their wheat they would be wealthy. I maintain that most of those farmers have built up tremendous debts taking off those crops, and if they could sell their wheat tomorrow many of them would have a hard time liquidating their obligations.

Mr. Loptson: — Oh, no!

Premier Douglas: — I know. I know several places where they have had good crops, and I know the debts they have built up in producing those crops, and I also know they have worn out their machinery, and now they have to replace it and, as they replace their capital equipment, taking into consideration their depreciation, they wouldn't be wealthy. But there are farmers — and, of course, it wouldn't be so tough to have farmers wealthy; there are a lot of other people who have become wealthy in the last eight year . . .

Some Opposition Members: — Hear! Hear!

Mr. Loptson: — I'll agree with you there.

Premier Douglas: — But as my friend says there are parts of the province where they haven't produced much crop, and, of course, you cannot solve the problems of a man who hasn't produced a crop through the price system; you have to solve his problem through a crop insurance program. That is the only way you can solve his problem, not through a price system any more than you can solve the problem by adjusting wages for the man who isn't working. You have to get him work or you have to provide unemployment insurance or you have to have a job-creating program. So the problem of the farmers who hasn't a crop doesn't come within the scope of a price program; it comes under the scope of crop insurance and other forms of social assistance.

We are talking about the man who does produce farm products, whether it is wheat or any other commodity. The only hope for him is, through the Prices Support Act and other legislation to make it possible for him to get a price that will enable him to stay in business. This is not a new principle. If any member will take the trouble to read the preamble of the Agricultural Prices Support Act, which was introduced in 1947, that is what it says. I remember when the Prime Minister, Mackenzie King, spoke on it at that time. He pointed out that all through the war the prices had been fixed and they had been fixed for the farmer at a time when agricultural prices were depressed. He pointed out that all through the war the farms had suffered because of the fact that their prices were fixed at these depressed levels. He said there was a danger, now that the war was over, that agricultural prices would continue to be depressed when other commodities could go sky high, and he said they were introducing the Agricultural Prices Support legislation so that the farmers' prices would always bear some relation to other prices in the community, and so that farm income would bear some fair relationship to the incomes of other groups in our economy. That was, in substance, what he said. That was the principle underlying the

Agricultural Prices Support Act.

All that the member for Bengough (Mr. Brown) is asking is that we should take this Agricultural Prices Support Act legislation off the paper and put it into practice. Now I cannot agree with my friend, the member for Meadow Lake (Mr. Weber) who says, "I would like to have that but let's not ask for too much." Wasn't it Browning who said "a man's reach should exceed his grasp, or what is heaven for?" After all, there is not much use . . . I knew that Browning reference would set my friend from Cannington (Mr. McCarthy) laughing; he and Robert Browning are such old friends and I knew it would stimulate his memory to walk with him again down the shady paths of literature.

Mr. McCarthy: — It wouldn't sell very much wheat.

Premier Douglas: — The fact remains, Mr. Speaker, that if you are going to think about an agricultural policy there isn't much use in just thinking about some little patch, or some little part of it; you might just as well face up to the fact that giving the farmer his cost of production on 1,000 bushels of wheat isn't going to keep him from going bankrupt, but it is just going to take him a little longer to go bankrupt. Therefore, if we are going to take steps then let's state our full position with reference to what agriculture needs, because (mark my words!) the day will come in Canada as it has already come in the United States and most of the civilized countries of the world, where we have had to accept the principle of parity prices for farm products, where we have had to set up price support legislation. They have done it in the United States, they have done it in Great Britain; they have done it in most of the countries of the world, and the Federal Government's Royal Commission on Economic Problems itself has come out and talked about "deficiency payment" . . .

Mr. Cameron: — Your Royal Commission didn't.

Premier Douglas: — Yes, and so did the Commission on Economic Prospects. It came out and talked about deficiency payment. That is the first time, Mr. Speaker, that a Royal Commission set up by the National Government has finally come out and faced up to this problem and said that we are never going to have in Canada a sound economy until we take cognizance of the fact that the agricultural economy is a depressed eco. Supposing it does cost \$100 million or \$200 million to put agriculture on a sound basis, every dollar that the farmer gets goes back into buying consumers goods and stimulates industry and stimulates employment. There is nothing you could do better for the Canadian economy than to put agriculture on a sound basis. I remember getting a good deal of ridicule from the Liberal press in this province and in Manitoba back in 1949, when I made the statement that, if agricultural conditions continued as they were at that time, we would face the day in Canada when we would have an agricultural depression in the midst of an industrial boom, and that is exactly the situation we are in today. One part of our economy is sick, and it is only

April 10, 1957

a matter of time until that sickness will communicate itself to the rest of the economy unless we do something about it.

I would agree with my friend from Meadow Lake if it meant just going to Ottawa and asking for \$2.10 a bushel on the first 1,000 bushels and we would get it by keeping quiet about the rest – I would keep quiet about the rest, and that is why I would have supported the motion of the member for Gravelbourg. But Ottawa isn't going to give it to us; at least they haven't up until now.

Mr. McDonald: — Did you ever ask for it?

Premier Douglas: — We have asked for it repeatedly. In this House, last year, we passed the report which asked for parity prices on the wheat consumed in Canada to be paid back to the farmers.

Mr. McDonald: — Cluttered up with a lot of other stuff.

Premier Douglas: — It wasn't cluttered up at all.

Mr. McCarthy: — It sure was.

Premier Douglas: — It was very simple and clear to a simple and clear-cut mind.

Mr. McDonald: — Clear like mud.

Premier Douglas: — The only muddle in the ting was to the people who couldn't understand it.

Mr. McDonald: — Including yourself.

Premier Douglas: — The issue was very clear, but while I would support the motion as it stands or I would support the amendment, I think that the sub-amendment has this to its credit – it adds to it. It doesn't delete what my friend from Rosthern has suggested, but it adds to it, that we ought to keep in mind that, while we may do this with respect to wheat consumed Canada, there is no ultimate solution for the farmer or for the agricultural industry until we take one step further, and that is, through the Agricultural Prices Support Act to give to the farmer for the rest of his agricultural commodities a price which has some relation to his cost of production. Therefore, I will support the sub-amendment.

Mr. McDonald: — Could I ask the Premier a question? In the amendment to the amendment I understand that you are asking 100 per cent of parity. Is that true or is it not?

Premier Douglas: — Well, I am not asking for anything. I didn't move the sub-amendment; but I take it to mean, when it says "to undertake to establish a permanent marketing program which will assure to

the producer for all wheat sold into commercial channels a price that will bear a parity relationship to farm costs; that it will have a 100 per cent relationship to farm costs. Now, as I said, the question of how you will establish that parity is a relationship, not necessarily a fixed figure where you say the price will always be \$2.25; but it will be a figure which will fluctuate with the general index commodity figure of the cost of production.

Mr. McDonald: — Well then, in other words, you are recommending something that your rural Life Commission has recommended against?

Mr. Speaker: — Order! Order!

Mr. A.C. Cameron (Maple Creek): — Mr. Speaker, let me just point out that now that the Premier has spoken he has clarified the issue and there is no longer any doubt. He has come out in support of this program of 100 per cent parity, and he said that the Federal Government, when they brought the Prices Support program, it was a step towards that end, to stabilize the farm income. He was correct up to there. But when he still advocates 100 per cent parity as a cure-all for agricultural problems, he is doing so in the face of overwhelming evidence against that very system which he is advocating.

Mr. McDonald: — His own report.

Mr. Cameron: — Parity prices for wheat and farm products is nothing new. It is nothing that any political party can't agree with. The farmer wants the highest price that is obtainable; but when you begin to set the price by government legislation, what you say is parity price, and then you are setting a price that will induce more production by farmers who can make the most money out of it. I think the members here raised a good point; when we talk about parity, how are we going to have parity for the farmer whose cost of production is high? The section, the half-section, the three-quarter section farmer — his cost of production is very much higher than the cost of production of a man who is farming two sections of land. So, when you speak of parity, to whom are you going to give it? To the man who is farming two sections of land who can produce his wheat at half the cost of the other fellow, or are you going to give parity to the little fellow? If you apply parity to the big producer, he will still produce more and will still make more money because you are giving him a greater incentive to produce; apply it to the little fellow and he has not yet reached parity because his cost of production is so much higher than the man over here. All we have to do is look across the border.

As I say, parity is a non-political issue; they established 100 per cent of parity over there and today they are trying desperately to get away from that very thing, after 20 years of experimenting with it. Surely, after looking at the results of an effort by our neighbouring country to establish parity prices, if you study it all it will show

April 10, 1957

that the farm income has never been distributed among the farmers on anywhere near an equal basis.

We said in our amendment, in keeping, I think, with the Agricultural Commission's reports that have been brought down – and if the Premier talks about advancing in the light of present day conditions, then surely to goodness, the Royal Commission spent four years studying agricultural problems and suggesting recommendations and they did not see fit to recommend 100 per cent parity, in view of the experience of the United States. I notice that we have on our desks a minority report that will come in, I understand from press reports (if it isn't here) by one man on that Royal Commission, the only one who came out in support of 100 per cent parity. There is your report of the Royal Commission set up this Government to look into the conditions of agriculture and, as the Premier said at the time, to set a pattern which this province could follow perhaps for the next 45 years. Yet we persist in bringing in a resolution contrary to the expressed opinion of the Royal Commission itself.

The Premier said we have been having difficulty in getting a two-price system established within our own party, and that this original motion would set up a two-price system – parity price for wheat consumed on the home market, for home consumption. I have no quarrel with that. We set the figure of \$2.10 because we think it is nearly parity, and said that we would ask the Federal Government to consider implementing some policy that would give \$2.10 a bushel for wheat consumed on the home market for home consumption – not less than \$2.10 per bushel. Then we said further, in order to assist the small farmers, in order to put cash into their pockets when it is most desperately needed, in the fall months, that he should be paid on the first 1,000 bushels, and further that the Canadian Wheat Board pays to the producer \$2.10 per bushel of wheat, basis No. 1 Fort William, for the first 1,000 bushels delivered in each crop year by each farmer. We have taken that step because we are thinking in the interests of the farmers of Saskatchewan, and we believe and agree with the idea that we could have a higher price for wheat consumed in the home market. Whether or not Ottawa has come to that opinion yet is beside the point. I We are urging here (and we brought in a resolution that was sincere) that surely we could advance to the stage of having wheat consumed on the home market for home consumption set at a higher price than the world market price in order to level off the relationship with other goods, and likewise to protect the small producer, because your parity price is not going to help him or put money into his hands in the fall which is the time when he needs it. And then to bring in and ask us to support this amendment that says we will go for nothing but 100 per cent parity is going against the express purpose, or the express wishes, of the Royal Commission on Agriculture, with the exception of one member of the Committee, and it is advocating something, in spite of the example of 20 years of application of the same policy in the United States . . .

Some Govt. Member: — Who said that?

Premier Douglas: — And we'd have done very well.

Mr. Cameron: — . . . and which they are trying fast to get away from.

Premier Douglas: — And where they have done very well by it; they are not trying to get away from it.

Mr. McDonald: — They are doing everything humanly possible to get away from it.

Mr. Speaker: — Order!

Mr. Cameron: — I maintain . . .

Premier Douglas: — No Government would last two months there if they got away from it.

Mr. Speaker: — Order!

Mr. McDonald: — What did the Secretary of Agriculture say?

Mr. Speaker: — Order!

Mr. Cameron: — It says there is no use going for the little one; we might as well go for the top . . .

Mr. McDonald: — And get nothing!

Mr. Cameron: — And get nothing, because you said they would give us nothing anyhow.

Mr. McDonald: — Playing politics.

Mr. Cameron: — Well, I think if we were reasonable perhaps we could induce the rest of Canada to go a step further towards the solution of the situation of the farmers here in the west today.

Hon. Mr. Walker: — That the Liberal party has produced.

Mr. Cameron: — That is why I maintain that this amendment and the sub-amendment will not accomplish what we are trying to do in the interests of the farmers of Saskatchewan. By advocating a complete 100 per cent parity knowing that all the evidence is against it both in the United States and in your Royal Commission reports, know that there is no possibility of obtaining it, we defeat the very purpose that we set out to do in the original motion. For that reason, Mr. Speaker, I cannot support the sub-amendment.

April 10, 1957

Hon. J.H. Brockelbank (Minister of Mineral Resources): — I think it is probably quite fitting that this session of the Legislature should end debating one of the questions which is of the most fundamental importance, not only to the farmers of Saskatchewan, but to all the people of this province, because farming is still our big industry and wheat is still our big crop.

I listened with a good deal of interest to the Leader of the Opposition (Mr. McDonald) when he was speaking on the sub-amendment just now, and when, with considerable emotion, he was talking about the desirability of keeping this question of prices for farm products out of politics I had to laugh to myself a little bit.

Mr. McDonald: — I've got lots of grain, you haven't got any, that's why.

Mr. Brockelbank: — I have . . .

Mr. McDonald: — Put that in your pipe and smoke it.

Mr. Brockelbank: — When it comes to that, Mr. Speaker, if the hon. members want to know I will be selling last year's crop for a couple of years yet.

Mr. McDonald: — I don't know where you got it.

Mr. Speaker: — Order!

Mr. McDonald: — You didn't produce it on that farm of yours.

Mr. Speaker: — Order!

Mr. Brockelbank: — I said that I had to laugh a little bit when the members talk about keeping this out of politics because I had been watching the Liberal party on both sides of this House for nearly nineteen years now . . .

Mr. McDonald: — And you haven't learned anything yet.

Mr. Brockelbank: — . . . on this question of prices for farm products, and I know that it is the friends of my hon. friend over there who have ever been willing to play politics with this very vital issue and, if possible, to do nothing about it.

Mr. McCarthy: — The same to you.

Mr. Brockelbank: — And I can't help it, Mr. Speaker, if the hon. member for Cannington (Mr. McCarthy) doesn't like what I say.

Mr. McCarthy: — I don't care what you say; you can't hurt me.

Mr. Speaker: — Order!

Mr. Brockelbank: — It was quite evident that when the member for Maple Creek (Mr. Cameron) was speaking he was trying to put every possible block in the road of doing something. He was drumming up all of the possible excuses for the Government of Canada to do nothing.

Mr. McDonald: — Nonsense!

Mr. Brockelbank: — He said, “when you speak of parity for whom do you mean it – for the big producer or for the little producer?” He was sitting in his seat when it was explained to him very clearly that a parity, taking the basis of 1945 or 1946, the farm prices and the cost of production, and continuing that relationship; and of course he said: “this should not be talked about as a cure-all for the farmers’ problems.” Nobody has been talking about it that way; only he has been inferring that it might be that, but we don’t believe it is that. Then he said, “in the United States of America after 15 or 20 years’ trial they are trying desperately to get away from it.” How hard are the farmers in the United States of America trying to get away from this program they have? They are not trying hard at all, and they are quite happy with it.

It is absolutely true that ‘big business’ in the United States would like to get away from it.

Mr. McDonald: — Nonsense! They are the people that want it.

Mr. Brockelbank: — But they can’t get away from it for the simple reason that the farmers have too much influence in the field of politics.

Mr. McDonald: — You know less than I thought you knew.

Mr. Speaker: — Order!

Mr. Cameron: — Well, I would certainly be on the side of the Royal Commission at any rate.

Mr. Brockelbank: — I wouldn’t consider it to be a compliment to be called ‘wise’ by the Leader of the Opposition. The member for Maple Creek said, “we want to be able to pay a good price on the first 1,000 bushels to help the farmer when he is desperate in the fall.”

Mr. McDonald: — Hear! Hear!

Mr. Brockelbank: — What I want to do is to have a set-up in which the farmer won’t be desperate in the fall, and that is why we believe that there should be full parity.

Mr. Korchinski (Redberry): — Socialism.

April 10, 1957

Mr. Brockelbank: — And then again he says . . .

Mr. Cameron: —. Your Royal Commission agreed with that.

Mr. Brockelbank: — He says “if we were reasonable”. Doesn’t the member for Maple Creek think it is reasonable that the farmers should get their fair share of the national income? Does he think that is unreasonable? It is never unreasonable to ask for what is fair and right and to ask for it in the strongest terms in which you can.

Mr. McCarthy: — Who is going to be the judge?

Mr. Brockelbank: — I would just like to bring to the attention of the members a few figures from the report the members had on their desks. On page 34, there is a table showing the comparison of farm and non-farm income per capita in constant dollars, annual averages for selected years 1926 to 1954, on page 34, if you want to follow the figures in Report No. 13, Chapter 1 to 4.

Back in the years from 1926 to 1928 per capita farm income in Saskatchewan was \$328; the non-farm income in Canada was \$478. That relationship was must better than it has been for most of the time since 1928. During the period from 1929 to 1941 the average annual per capita farm income in Saskatchewan was \$57; for non-farm income in Canada it was \$455. Then we go on to 1942 to 1953 which is just a matter of two-years’ difference, and if we take the best line, 1942 to 1953, we find the per capita farm income in Saskatchewan was \$512, and the non-farm, \$753. In 1954 the per capita farm income fell to \$177, compared to \$748; but the interesting thing is the percentages. Per capita farm income from 1926 to 1954 has never been higher than 68.7 per cent of non-farm income, and only in two periods has it touched that – in 1926 to 1928 and again in 1942 to 1953; and it was down to 20 per cent; and in 1954 it was down to 23 per cent.

It is not unreasonable to ask that there should be a price structure and a marketing system which will provide not necessarily exactly, but very close to, the same per capita farm income for farm people as non-farm people in Canada.

There is another table on page 40, and we find there that in 1940 (which was a good year in Saskatchewan), over more than one-quarter of the farmers in Saskatchewan had sold less than \$2,000 worth of products. Over 55 per cent of the farmers sold less than \$2,500 worth of products in the year 1950. Some people may think that the idea of subsidizing agriculture through the Agricultural Prices Support Act, would be something new. Well, as has already been pointed out it has been done in other countries, and I would point out that the same think is being done for other industries in Canada. The gold mining industry has, for many years, been getting a subsidy . . .

Mr. McDonald: — Are you opposed to that?

Mr. Brockelbank: — . . . to help them to produce gold. The gold miners are complaining that the situation isn't satisfactory to them because the price is still too low. The coal mining industry in Canada has been receiving subsidies through freight subventions for many years in Canada. The uranium mining industry has had a marketing program in which the sole purchaser, a monopoly, pays on the basis of the cost of production plus all returns on the investment and a profit; and so, when the farmers ask for a marketing system which will give to them a parity return; they are not being unreasonable. Farmers in Saskatchewan now are going through a very difficult process of adjustment which has been brought about by the technological changes in agriculture, and under the present . . .

Mr. McDonald: — Socialist rheumatism probably.

Mr. Brockelbank: — . . . set-up, as it affects agriculture, we are requiring our farmers to make those changes in the most painful and the most difficult way, because, when the farmers are not getting a fair price for their products it makes this transition much more difficult. It becomes a real tough struggle. With farm prices which would endeavour that transition could take place with a lot less pain, a lot less heartbreak than it does at the present time.

Mr. Gardiner (Melville): — And a lot less wind.

Mr. Brockelbank: — It is inevitable, with the technological changes, that farms are going to get bigger.

Mr. McDonald: — It isn't inevitable at all.

Mr. Brockelbank: — There is one other reason why farmers, in the national interest, should have parity prices. I don't suppose there are very many farmers in the province of Saskatchewan who do not know how to farm much better than they are farming and the only reason they are not farming better is because of the economics — they can't afford to; they can't afford to buy the fertilizer and the proper kind of equipment and all that sort of thing.

Mr. Cameron: — They buy their butter and milk, though.

Mr. Brockelbank: — My hon. friends don't agree with me; that is all right. I know the farmers in this province, and I know what they are thinking, and I know that if you give to farmers a profitable price, a parity price, they will boost production of any kind of a product you want that can be produced here in Saskatchewan. The farming industry is sick, and being economically sick it makes it much more difficult for the farmers to do anything to cure their own troubles. So I think we

April 10, 1957

would be very foolish if we did not ask for full justice for the farmers of Saskatchewan and of Canada; and certainly I shall support the amendment to the amendment.

Mr. McDonald: — I wonder if the speaker would permit a question, Mr. Speaker. The last speaker has referred to some period of 1945 to 1946 as equalling 100, and he has given us quite a lecture on parity. I am wondering if the Minister would provide us with a formula to give parity, and by that I do not mean that such a price would bear some fair relationship to the cost of production. I wonder if the Minister would give us a formula that would give us parity for a specific product – say, wheat. You have talked a lot about it; let's have the formula.

Mr. Brockelbank: — Well, Mr. Speaker, I don't think there is any question but that one could go to the statistics published by the Dominion Bureau of Statistics on costs and price indexes and could very easily – I don't know that I could to it, because . . .

Mr. McDonald: — I know you couldn't; you don't know what you are talking about.

Mr. Brockelbank: — . . . I am neither a statistician nor an economist.

Mr. Korchinski: — Tell us about your planned economy.

Mr. Speaker: — Order! Order! The hon. gentleman asked a question. Will you please keep quiet until you hear the answer?

Mr. McDonald: — Go ahead.

Mr. Brockelbank: — I do know what happens when dollars are short in the farm economy and that when costs of production have gone up, prices have gone down – and that is what happened exactly. It doesn't take much to make the ordinary farmer see that when costs of production go up prices should go up, too, to maintain that parity. I hope that explanation suits the hon. member.

Mr. McDonald: — Could I ask another question?

Mr. Speaker: — Order! No, I cannot permit another question.

Mr. McDonald: — Well, Mr. Speaker, I asked a question of the Minister and he has done everything other than answer. In other words, he has admitted that he doesn't know what he is talking about. He doesn't even know what parity is.

Mr. Speaker: — Order! Order!

Mr. McDonald: — You don't know. Admit it.

Mr. Speaker: — Order!

Premier Douglas: — If the hon. member will take the trouble to read the American Agricultural Prices Support Act he would find the whole formula for parity set up before him so simply that even he could understand it.

Mr. McDonald: — Can you give me a formula for parity?

Mr. Speaker: — Order!

Premier Douglas: — Certainly.

Mr. McDonald: — Well, give it to me then. Go ahead. I challenge you to give it to me.

Mr. Speaker: — Order!

Mr. L.P. Coderre (Gravelbourg): — Mr. Speaker, I don't know why we have been talking about parity; I think we do have 'parrot' in the House. A parrot, to me, is a bird that repeats everything it hears; and all we have been hearing from across the House is repetition. We have it — 'parrot', so why fight about it?

Premier Douglas: — That's awfully funny; that is sidesplitting humour!

Mr. Coderre: — I heard the Premier speak — he picked up a . . . Well, Mr. Speaker, I probably could hold the Assembly here until next week, but then we have some work to do apparently; but I could go into the public library here I was in there the other day before I brought my motion into the House, and I could probably read for the next five or six hours arguments against parity.

Premier Douglas: — I don't believe it.

Mr. Coderre: — Yes, you might go to the library and, I might say, educate yourself in that line; it wouldn't hurt.

Mr. McCarthy (Cannington): — Yes.

Mr. Coderre: — In so far as that, production is the only thing by which you can combat any doubts. You can go ahead and take the farmer who has \$10,000 worth of machinery (just as a matter of figures) and put him on a quarter-section of land, and what would be his parity price as compared to another farmer just across the road with the same number with three-quarter sections of land? It is just a point of argument. I am not going to take much time; I am just going to bring a few of these little points out. But then, the Government comes along and hires a bunch of planners and advisors; then they get a Commission, and they don't ever follow their suggestions.

April 10, 1957

I want to deal with one of the reasons why I cannot possibly support the amendment. As I previously stated in this House, at any time that the Wheat Board is implicated in any way, I do not intend to support it, because as I previously said, or has been previously said in this House, the Wheat Board is an instrument which has been put there at the pleasure of the people of Canada. You will note – I presume I am quite in order in referring to part of the original motion, Mr. Speaker, in order to bring out the point here. You will note that some means will be devised whereby the Canadian Wheat Board will receive for distribution; then the amendment chained to it, where the Government will establish through the Wheat Board a multiple system, I mean, the Wheat Board is going to do that, and then naturally, the amendment itself comes in and ties itself with the motion and the sub-amendment comes in, and ties itself with that.

I believe, Mr. Speaker, that whenever we deal with any particular motions say, in regard to the agricultural economy, and if it ties itself up in any way with the Wheat Board where it might implicate the Wheat Board in some sense, where we could lose that institution, Mr. Speaker, I could not support the amendment, in that particular case.

Premier Douglas: — May I ask my hon. friend a question before he sits down. I was just wondering why he used the figure \$2.10. I was interested in his motion, but why did he use the figure \$2.10?

Mr. Coderre: — Well, I don't know – a person comes along – it is more or less based on the International Wheat Agreement. We put a little bit more on it, that's all. What's the difference? But the point is . . .

Mr. Speaker: — Order! Order! I want to point out that the \$2.10 is not in the sub-amendment.

The question being put, on the proposed amendment to the amendment, it was agreed to by 28 votes against 16.

The question being put on the amendment as amended, it was agreed to by 28 votes against 16.

The question being put on the motion as amended, it was agreed to by 28 votes against 16.

At 9:15 o'clock p.m. His Honour the Lieutenant-Governor entered the Chamber, and having given Assent to the Bills present to him, said:

MR. SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY:

It is my duty to relieve you of further attendance at the Legislative Assembly. In doing so, I wish to thank you and congratulate you upon the work you have done. I wish also to express my confidence that the approval of the programs and plans presented to you will continue to provide the services necessary to the growth and development of our Province.

You have authorized the Government to enter into a new Tax Rental Agreement with the Federal Government; you have established a Department of Travel and Information; you have approved measures for dealing with rural and urban planning problems; and you have provided for the establishment of the University of Saskatchewan Foundation. You have amended legislation which relates to the co-operative movement, the development of resources, health and welfare, agriculture, labour and municipal government. You have provided for further increased grants for education.

I share your hope that the provisions of the new Vehicles Act will promote greater safety on Saskatchewan highways. Your decision to amend the various Superannuation Acts will bring further benefits to those who have rendered service to the people of Saskatchewan.

You have adopted the recommendations of the Select Standing Committee on Municipal Law which examined the results of the Time Plebiscite. You have made important changes in the Standing Orders of this Assembly.

I thank you for the provision you have made to meet the further requirements of the Public Service, and assure you that the sum of money voted will be used economically, prudently and in the public interest.

In taking leave of you, I desire to thank you for the manner in which you have devoted your energies to the activities of the Session, and wish you the full blessing of Providence as you return again to your respective homes.

The Hon. Mr. Brown, Provincial Secretary, then said:

MR. SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY:

It is the will and pleasure of His Honour the Lieutenant-Governor that this Legislative Assembly be prorogued until it pleases His Honour to summon the same for the dispatch of business, and the Legislative Assembly is accordingly prorogued.