

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session — Thirteenth Legislature
11th Day

Thursday, February 25, 1960

The House met at 2:30 o'clock p.m.
On the Orders of the Day:

NEWSPAPER CORRECTION

Mrs. J.E. Cooper (Regina City): — Mr. Speaker, before the Orders of the Day, I would like to voice my objection to statements made in an article by Mr. E.N. Davis in his column referring to some things I said in my speech. I am quoting from the report of Mr. E.N. Davis when he said I utilized the major portion of my time in defending the British medical scheme and the principle of placing members of the medical profession on salary. Mr. Speaker, this is a deliberate distortion of what I said. In the first place, I did not suggest any particular method of payment to doctors. What I did do was to defend the civil service generally, including doctors who may be civil servants working on salaries from the kind of insults to their integrity and efficiency that was contained in an article by a man who claimed to be a doctors, but who refused to give his name, and I questioned the ethics of the newspaper in printing an unsigned article of this kind.

Furthermore, Mr. Speaker, I made no personal statement of the merits or demerits of the British Health Plan. I pointed out that the Premier had stated we were not considering adopting the British Health Plan here, but in view of derogatory statements about the British Health Plan made in this same article I read an article from the 'Canadian Doctor', a business journal of the medical profession in which some eminent British doctor stated that the British plan was free from political interference and that it had worked to the benefit of the doctors and the public.

Mr. Speaker I believe that the distortion of my statement by Mr. E.N. Davis of 'The Leader-Post' was perpetrated purely for political purposes, and was an abuse of the privileges of the Press Gallery and I think it should be corrected.

TRIBUTE TO PRESS

Hon. C.M. Fines (Provincial Treasurer): — Mr. Speaker, I would just like at this time to pay tribute to the press generally, including, of course, the one who has just been referred to. I do believe that, generally speaking, the members of the press do a very excellent job of reporting the debates in this House. This, of

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course, has nothing to do with editorial policies such as we find on the editorial page, but the other evening when I spoke for an hour and a half, I did use a great many figures as I frequently do, and I might say there were frequent interruptions from the opposite side, so I am not surprised that the press did make one slight error and that is, when referring to the fact that the Liquor Board had 281 employees in 1944 and 275 today, when I pointed out that the province was now doing two and a half times the volume of business — \$12,000,000 compared with \$42,000,000 today, but unfortunately the press got it that the province was selling ten times as much liquor through its stores. Well, it's just out by four times, but I'm not surprised. I did want to make the correction, however.

COMMENT RE TRANSCRIPT

Mr. A.C. Cameron (Maple Creek): — Before the Orders of the Day I would like to comment further on press statements. I was called into the recording room after I spoke. They informed me that it was jumbled up because the lady on the controls was unable to manage, due to interruptions, and was unable to understand a thing I had said. I was obliged to go to the secretary and dictate in shorthand something of what I had said in the Legislature the other night due to the interference, the running interference, that was going on during the course of my remarks. Because of that, on second thought, I can understand how difficult it must have been for a press reporter likewise to clarify his statement in view of the hubbub that was created in this Legislature. I have learned, too, since then that the reporter in the Press Gallery here in no way suggests or controls the type of headline that is given to a person's speech. I do wish to make my apologies. If I attributed the heading of the article to him, I can understand the position they were in when the clerks in the office couldn't even make head or tail of what went on in the Legislature, due to the running interruption of the Government.

WELCOME TO STUDENTS

Mr. Arthur T. Stone (Saskatoon City): — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to take the opportunity of welcoming to this Legislature some fifty-odd public school children from the Brunskill Public School, Saskatoon, along with their teachers, Miss V. Ross and Miss N. Larionyk, to this Legislature. I am sure all the members will join with me in hoping that they have a good time in the capital city.

QUESTION ON STABILIZATION OF AGRICULTURAL PRICES

Mr. Frank Meakes (Touchwood): — Mr. Speaker, before I make this motion, I would like to read it:

"That this Assembly, alarmed at the continuing deterioration in the agricultural economy, urges that renewed representations be made, on behalf of this Assembly, to the Government of Canada for implementation, without further delay, of the solemn commitment contained in the Preamble to the Agricultural Stabilization Act of the Parliament of Canada, to 'stabilize the price of agricultural commodities in order to assist the industry of agriculture to realize fair returns for its labour and investment, and to maintain a fair relationship between prices received by farmers and the costs of the goods and services that they buy, thus, to provide farmers with a fair share of the National income."

Mr. Speaker, I really don't think that I need to state the reasons for moving this motion. I am sure that all hon. members of this Legislature are well aware of the precarious position that agriculture finds itself in at this time, but I would like to review for a few minutes the events that led up to the bringing in of the Agricultural Stabilization Act into the House of Commons in Ottawa. I think, Mr. Speaker, that most members will agree that from 1942 until 1950 the farmers did fairly well. During the war prices had been held stable by tight controls and farmers generally speaking had prospered. In 1947, the Federal Government of that day removed the price controls and from that day the price of farm tools of production began to rise and today we find the price of machinery in many cases has gone up 300 per cent. Combines that sold in 1945 for \$2,700 are today selling for \$8,500. By 1953, farmers were becoming discontented at the increase to this cost of production in relation to the prices they were receiving for their product, and there was beginning to be a lot of talk about parity prices and the formula pricing as a feature of price supports.

It is interesting to note, Mr. Speaker, that in a report of the Select Standing Committee on Marketing and Farming in this Legislature in 1956, they report this: 'The Canadian Federation of Agriculture and the Saskatchewan Wheat Pool have adopted a price support program based on parity prices. In general, their program is based on the following points; support prices would in general be established at non-incentive levels and according to a known formula the range of supports would vary from 65 to 85 per cent parity price; a calculation of fair relationship prices and a guide to the setting of farm price supports is to be based on the period of the 1925-29 years, but individual prices are to be updated and adjusted using price inter-relationship in the most recent ten-year period, and the formula used in setting farm price supports should be embodied

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in the price support legislation and support prices from the principal farm commodity should be required by the price support legislation to be in effect at all times. It goes on and says that the Farmers' Union had supported this. The Interprovincial Farm Union Council and the Canadian Farm Labour Economic Council suggested that the important factor is that whatever method may be adopted shall be effective in securing for farmers their fair share of the national income and in establishing prices of farm products so that their equitable relationship in the prices of the goods and the services required by farmers will continue efficient production. It is also interesting to note that No. 8 of The Agricultural Markets and Prices (No. 8 Copy of the Royal Commission of Agricultural Rural Life) — they say the idea of parity prices ran through many community briefs dealing with the problems of markets and prices. Fifty-five per cent of these briefs deplored the lack of parity under present conditions. Then they go on to mention the different briefs: Leroy, Shaunavon, Lumsden, the United Church of Canada, Moosomin, Newstead and Kamsack.

By 1956 the cost-price squeeze had become a contentious issue in the House of Commons, and I might say that the present Prime Minister, Mr. Diefenbaker, who was then the Leader of the Conservative Party, had been one of the most vocal in supporting this parity price concept. In fact, it was he who coined the phrase 'parity not charity'. Moreover, he defined the parity price concept in a way which made it clear that he knew what he was talking about. He said:

"Parity prices are the dollars and cents price that gives to farm products the same buying or purchasing power that they had in the selected base period when the prices received by and the prices paid by the farmers were regarded as in a good balance".

Mr. Speaker, the Liberal government of that day refused to face up to a situation that was getting worse and worse. In 1957 there was an election, and that government was defeated and in its place was formed a minority Conservative Government. But first of all we must not forget that prior to this election all the farm organizations were in support of the parity price concept. One of the major pre-election promises of the Conservative Party had dealt with price supports and this is what they pledged. The Progressive Conservative Party. They were to assure the farmer a fair and just share of the national income by maintaining a flexible price support program to ensure an adequate parity for agricultural producers based on a fair price-cost relationship, and on January 22, 1958, the hon. Minister of Northern Affairs, Mr. Hamilton, speaking in the House of Commons, said:

"We will include a definite formula in the Agricultural Prices Support Act for arriving at support prices. Such formula to allow for variation in production and demand for

individual products. The formula and support prices will be established in consultation with representative farm organizations and will be announced each year well in advance of the production period as required.”

So it was therefore a shock when the Government of Canada brought in a bill for the stabilization of prices of agricultural commodities which was in many ways a straight negation of the parity price concept. The Canadian Federation of Agriculture was very critical and the President of the Saskatchewan Farmers' Union issued a press statement on December 18, 1957, summing up his organizations — the acts — he said:

"The first impressions of the Agricultural Prices support Bill lead me to believe that the government has as its prime concern the setting of non-incentive price levels on products to avoid accumulation of surpluses. The welfare of the farmer has received secondary consideration."

Well, Mr. Speaker, in the face of such opposition the Minister of Agriculture for Canada brought in nine amendments when this bill was before the House. These amendments were to appease some of the public reaction from Western Canada. It is interesting that Mr. Harkness, in speaking Meeting of the Canadian Federation of Agriculture, on January 1958, said: (he was naming the four advantages that this bill had over old one) —

“First, it provides a definite formula, the ten year moving average which will ensure that there is some relationship between the support price set for one commodity as compared to others, and thus makes it possible to get some system into the type of support prices and the level at which these will be set;

Secondly, the Advisory Committee composed of farmers and representatives of farm organizations for advising as to what commodities should be under price support and the level of the guaranteed yearly prices;

Thirdly, legislation provides for guaranteed yearly price, except in advance, and to remain in effect for the following twelve months;

Fourth, this introduces a system of forward pricing, the mandatory floor prices in effect for the nine key commodities, something which the Agricultural Prices Support Act lacked."

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Now, there may be some truth in the last three of those advantages, Mr. Speaker, but I doubt very much if there is any truth in the first one. I believe that the misgivings of Mr. Gleave have now been proven. A new policy of deficiency payments on eggs and pork is proving his misgivings to be true. It is just doing away with a surplus situation. In fact, the headlines of yesterday's 'Leader-Post' say: "Deficiency Pay Only Way Out" —

"Agricultural Minister Harkness, cutting short his Alberta visit, returned to the House of Commons on Tuesday in time to make another defence of his government's system of deficiency payments for hogs and eggs. Speaking shortly before the House was to vote on a Liberal and C.C.F. non-confidence motion based largely on the deficiency support program, Mr. Harkness said the new type payments was the government's only way out of an impossible surplus situation."

I think, though, Mr. Speaker, that the great failing of this Act is that it did not cover wheat, oats and barley in western Canada. This, in itself created a barrier of inequality to the western farmer, and I think it was due to this, and due to the fact that the federal government was doing nothing alleviate the distress of agriculture that brought about the march on Ottawa. After months of waiting with no results, the farm organizations met in the fall of 1958 to discuss alternative ways of bringing pressure to bear on the government. Out of this meeting came the plan of the march on Ottawa. Then began the gigantic task of obtaining the signatures of all the people of the three Prairie provinces and the farmers in the business field. I think is a fact that over 300,000 names were put to that petition and the winter month of January, 1959 was proof positive that the people of western Canada were behind this movement — the march on Ottawa.

Mr. Speaker, what was the solid block of Progressive Conservative M.P.s doing while these farmers were out gathering signatures? These elected representatives of western Canada were doing everything in their power to sabotage that movement; led by the Minister of Northern Affairs, Mr. Hamilton. They were rushing around making statements. I am now quoting from 'The Leader-Post,' March 7, 1959, reporting on a speech that Mr. Hamilton had made the House of Commons. He said, in part, recalling a recent radio address made, "that the mass march on Ottawa appears to be a great promotion from above. I'm always auspicious of anything that is promoted from above. I point out that these farm leaders from all across the West come and tell us this is what they want." Mr. Hamilton said later on in his address:

"Do hon. members believe that I, as an elected representative of a farm riding in Saskatchewan, have to measure my opinion of what is right or wrong by the number of names on a petition."

Mr. Speaker, I think though, that Pat Waldron, that grand old time editor of 'The Western Producer', stated the position of the farmer best of all. In 'The Western Producer' of April 2, 1959, he stated in "Notes and Comments":

"The farmers are asking for deficiency payments as a means of keeping themselves afloat and saving the grain growing industry from chaotic bankruptcy till such time as a more permanent and generally acceptable policy for prairie agriculture has been devised and established. That was what they asked for in the brief that Mr. Hamilton has called "fine and fair and reasonable".

That is what they intend to press for continuously, persistently, without let-up by every legislative means in their power. They are determined to pursue this request, because they see in it the best means so far suggested whereby they can conserve their hard-won capital and credit, without which they cannot operate and save the only means of livelihood of themselves and their families from becoming completely wiped out.

It was the remarks of men like this, Mr. Speaker, that gave the eastern papers a chance to write editorials such as appeared in 'The Globe and Mail' of March 9, 1959 which reads:

"Probably no sector of the Canadian economy has gone hat-in-hand to Ottawa more often, and more successfully than the grain-growers of Western Canada. They got a \$40 million handout from the Conservative Government last fall, and a \$65 million one from its Liberal predecessor a few years back. Encouraged by such open-handedness, they are now seeking "deficiency payments" on their wheat, oats and barley of the past three crop years . . ."

What validity has their claim? None. The grain growers have no more right to expect a donation like this from the Dominion Treasury than any other economic group in the country."

It goes on and it says:

"The delegation to Ottawa will no doubt link its claim for a handout . . .

Mr. Speaker, before I read any further I want hon. members to listen carefully to this next paragraph:

". . . to the fact that the Government, through the Canadian Wheat Board, markets all Prairie wheat, oats and barley going into commercial channels. The suggestion

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will be made — directly or indirectly — that this being the case the Government must accept blame for poor prices received. The Government's answer to that need not be very long, however. The grain growers need only be reminded that it is solely by their wish that Ottawa is in the grain marketing business. It would be useful to tell them also that Ottawa would be glad to get out of that business.

That is not all Ottawa could tell them. Ottawa could tell them that the only way to move Canada's mountain of grain is for it - or somebody else — to reduce the price to the point where other countries will buy it.”

Mr. Speaker, while this march to Ottawa was going on, what was the stand of the Liberal Party? Before I say that, I think that the actions in the Conservative campaign in Ottawa were criminal, but they stabbed their electors in their back. They were the same electors who, a few months before, had followed 'John' and given 'John' a chance, I think, Mr. Speaker, at the next election they will get their just rewards.

What was the position of the Liberal party in regard to the march on Ottawa? Officially, now they took the stand, seeing they were no longer in power, that this was a proper move. Of course their real thinking broke out once or twice: the hon. ex-M.P. for Swift Current spoke very plainly — I'm not going to read all his remarks, but he said:

"Although the arguments and the figures agree, nevertheless they may not appear so to the majority of the people of Canada and may necessitate something more to substantiate our cause", Mr. Studer said.

"Although the arguments and figures of the grain farmers may appear factual and reasonable to us in western Canada, nevertheless they may not appear so to the vast majority of the people of Canada, and may necessitate something more to substantiate our cause," Mr. Studer said.

"If the wheat growers of western Canada are in such dire straits, why do they not diversify and produce commodities that are not in surplus."

Why, if the wheat farmers really believed that they are worse off than the farmers of eastern Canada, or fishermen, fruit and tobacco growers, lumbermen, miners, and those in industry, do they not formulate an agricultural program that would appeal to all the producers of Canada and thereby permit all members of Parliament to vote for it in the knowledge that not any one class or section, but all producers share and benefit from it.

Mr. Speaker, what has happened in this last 12 months since the march on Ottawa; while the Prime Minister has been considering, and giving active and continued consideration, conditions have worsened. Costs of production have increased and most of the prices of our products have gone down. What has happened in the last few months to eggs? To the egg producer who, mostly in this province, is the housewife trying to make enough for her grocery bill; the 10 cents a dozen for her eggs is an absolute calamity. To the farmer, whose pig check has been cut down so drastically, is not only not happy, but mad. He is trying to finance his farm operation with that cheque.

But, Mr. Speaker, I feel that, unless the federal government does something soon about implementing the preamble that I read out, the preamble of the agricultural stabilization bill, the family farm as we know it will vanish. Vertical integration and contract farming is creeping into the farm scene. If the power of capitalism is to control the farmer and his farm labour, it will be a sad day for western Canada. I want to point out to this House, Mr. Speaker, that this is the ambition of capitalism. Now I have here 'The Monetary Times' and certainly I think any member here in this House will agree that this is a big business magazine. It is dated October, 1959, and this is what was said in an editorial. The heading is: "Now the Superfarm":

"The Canadian Food Industry which gave the world the supermarket over the next decade may get twin-bill booking to the superfarm".

That is the suggestion of Thos. G. McCormick, President of Dominion Stores, Limited, who spoke to the top man in the food industry at a meeting in Toronto. He said:

"These farms, huge, highly mechanised, highly efficient and highly productive agricultural units, earn more net profit despite the comparatively low prices by being increasingly important as Canada's population and appetite grows. The '60s should see by far the greatest natural increase in population in Canadian history," said Mr. McCormick. "The rising wave of wartime babies will start to take jobs in the next decade, will marry and raise families", he points out, "while pricewise this era may be referred to as the stable '60s. Per capita spending on food should rise almost 3 per cent a year in approximate dollars, and population should rise about 500,000 a year.

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"The average Canadian worker today can buy more per take-home pay than ever before in history."

"Mr. McCormick stated that much of the credit must go to the amazing increase of productivity of agriculture, and the supermarket system for lowering distribution costs, and higher volume."

Mr. Speaker, I think this is the great threat that faces agriculture, because agriculture is in such terrible distress, because the farmer is unable to compete against high tariffs, because of the necessity of preserving the family farm, and because all the farmer is asking for is justice, I suggest that this resolution should be supported by all the members of this House. I hereby move, seconded by Mr. Brown (Bengough) the above resolution.

Mr. A.L.S. Brown (Bengough): — Mr. Speaker, in rising to second this motion, I make no apologies to this House for asking them to take a little bit of their time to discuss the question of agriculture and the present condition that it finds itself in. It gives to us an opportunity to place on the records of this House the opinions of the respective members of the Legislature, and place before the people of the province of Saskatchewan and of the Dominion of Canada, our opinions in that respect, and what is possibly more important, it gives to us an opportunity to place before the Government of Canada what we feel is an inequity of their present legislation in respect to agriculture.

The mover and myself have deliberately worded this resolution in a manner which we hope will receive the unanimous support of the members of this Legislature. May I just restate what we are, in fact, asking for. We are asking the Federal Government to undertake to fulfil a commitment which they have placed upon the statute books. This, Mr. Speaker, is not a commitment; it is not our proposal, and it is not even the commitment that was made on the hustings during the election for the purpose of obtaining votes. This was a solemn commitment written into the statute books of the Dominion of Canada, and they suggest in writing this in the statute books, that they are undertaking to stabilize the price of agricultural commodities in order to assist the industry of agriculture to realize fair returns for its labour and investment, and to maintain a fair relationship between the prices received by the farmers and the cost of the goods and services that they bought, and to provide the farmers with a fair share of the national income. Is a serious commitment of the Government which they have placed on statute books. This is not the first time commitments have been placed upon the statute books of Canada by previous governments. The previous Liberal government, in passing the Agricultural Price Support Act, stated in describing prices;

"The board shall endeavour to ensure favorable and adequate returns for agriculture and shall endeavour to secure a favourable relationship between the returns from agriculture and those from other occupations."

At one time in the House, Mr. Speaker, after the Agricultural Prices Support Act, as enacted by the previous government, had been on the statute books for some time, I accused the government of that day in this House, of breaking their own Act, and I am prepared at this time, in this House, to accuse the present Federal Government, not only of having broken faith with the farmers of this province and of Canada, but they also have broken faith with the people of Canada. They have, in effect, broken their own act. It is true, it has been suggested that they haven't broken the word of it, but certainly they have broken the intent of the act since it was placed upon the statute books at that time.

Mr. Speaker, what does this preamble suggest? It suggests first that they undertook to stabilize the price of agricultural commodities. Since its enactment, the reverse has been the case. You will recall, Mr. Speaker, that back in 1956 we had a special committee investigating the marketing and farm income conditions in the province of Saskatchewan. At that time, that Committee undertook to cut out what would be the 1956 parity price for certain agricultural commodities. They took at that time as a base the period from 1945 to 1954, not suggesting that this was particularly favorable to agriculture, but it was a period where there appeared to be a fair relationship between agriculture and other industries, and particularly in the province of Saskatchewan. They undertook at that time to suggest what would be a parity price in 1956 as compared with the average in 1945 to 1954, and we can take a few commodities. We will take, for example, hogs: the average price in the 1945 to 1954 period was \$46.09; for that same period the farm costs had increased 17 per cent. That would mean that in 1956 we would have had to have received \$30.56 per hundredweight for hogs to even retain the purchasing power we had in that same period. Today, to obtain that same purchasing power as we had in that same period, we would have to receive \$34, and the latest price being paid for hogs indicates that it is about \$19 a hundred. In other words, the conditions as related to the hog producer has deteriorated considerably, even from 1956 to the present time.

The same is true in relation to cattle, \$19 per hundredweight and the same average for the period through 1956, \$22.60, parity; today \$25.50, price of cattle, \$21. In practically every commodity with the single exception of milk which is under the provincial jurisdiction, the purchasing per unit of commodity has deteriorated not only from the base period of 1945 to 1954, but has deteriorated from 1956 to the present. I think that is the proof that if there was any undertaking to stabilize the price of agricultural commodities in this act, it has stabilized them downward to the point where we can result in a bankrupt industry.

Secondly, this preamble said:

"To undertake the industry of agriculture to realize fair returns for its labour and investment."

The figures which I have just quoted as far as the price structure of our agricultural commodities is concerned, to date, that this has done nothing, and, I say, less than nothing to assist the industry to realize fair returns for its labour and investment. This does not suggest, Mr. Speaker, that the farmer is only entitled to his bare operating cost of production. It says that he shall have a fair return for his labour and his investment, which takes into consideration all costs. In other words, to place it on a par with other industry.

The preamble says, to retain a fair relationship between prices received by farmers and the cost of goods and services which they buy. The hon. member for Touchwood (Mr. Meakes) has clearly indicated to this House that the cost of goods that we have to include in the cost of production has gone up consistently, not only in the period previous to 1956, but has continued to rise since that time.

The preamble also says: "We undertake to provide the farmers with a fair share of the national income". Well, no one, I think, is going to suggest in this House to the people of Saskatchewan, and particularly to the farmers of Saskatchewan or of Canada, that they are today receiving their fair share of our national income. We have had investigations as far as the welfare of the agricultural industry is concerned. They had one recently dealing primarily with the agricultural industry and the economy of the province of Saskatchewan. The Stanford Report laid on our desks a few days ago, illustrates fairly clearly the precarious position the agricultural industry is in and does suggest that it is not today receiving its fair share of the national income.

I have been very critical in this House and outside this House of this former Agricultural Prices Support Act, and I suggest that this present Stabilization Act has removed some of the protection which was invented under the Agricultural Prices Support Act. The enactment of the Price Support Act, in the act of fulfilling them might not serve the agricultural industry any better than this act will do, but it did incorporate certain principles which I feel should be included in any agricultural, any price stabilization or any price support act; that there should be means of undertaking by which the Government of Canada can undertake to remove from the market commodities if they feel that those commodities are going to have a depressing effect upon the price received for the marketing of those products. I agree with that principle, and I suggest that this Act, one of the inaccuracies in it is that it does not make that provision and as such will not tend to stabilize prices, but rather will tend to do the reverse. It has created no agency for the storage of our commodities should they become a surplus. As a matter of fact, rather than stabilizing

prices, the operation of this act, I feel can do nothing less than create a chaotic condition within the industry.

Let us use as an example of how this act is presently operating, and how I fear and predict that it will operate in the future. Using hogs as an example, as soon as the price support came off hogs there was an immediate drop in the price of hogs. This has meant, as a natural result, that there has been a flood of hogs on the market and this will unquestionably discourage hog production in the coming year. That will mean that this fall there will be a reduced marketing of hogs, with a great potentiality that the price for hogs will go up this fall, but when the bulk of the hogs are placed on the market this spring, there will be a low price, and it will be the average price that the deficiency price will be paid on, the average price over the 12-month period, with the net result that those people who are today marketing their hogs at possibly below the 80 per cent, once it is established that this is the deficiency payment minimum it will be rated up to, the farmer will receive no deficiency payment by virtue of the fact that there was a small marketing of hogs at a higher price in the fall.

The same is equally true of eggs. The price of eggs to Saskatchewan producers, grade A eggs, fell as low as 15 cents a dozen during the month of January. By the nature of its production it is one that people can get into and can get out of very fast, and I am satisfied with 15 cents a dozen at this time of the year, it is going to discourage egg production in the ensuing months, with the net result that you will have the same situation in eggs as I referred to in hogs. I suggest that here is one weakness in their question of deficiency payments. They do not take into consideration regional prices, nor do they take into consideration seasonal prices. Those two things, I suggest, should be taken into consideration.

Furthermore, it is suggested that the present deficiency payments, using, as an example again, eggs and hogs, is the benefit of the small farmer by virtue of the fact that you are limited to about 4,000 eggs on which you could be paid a deficiency payment, and on the marketing of 100 hogs if a deficiency payment is made. I suggest that any minimum that is placed in price stabilization act should be one that meets the needs of the family farm. We have been told by agricultural experts and people who are trained in the production of agricultural goods, that one of the things that we should undertake to do is to specialize or concentrate on one or two types of production, and 100 hogs or 1,000 eggs is not the type that a family farm would be interested in, or should be interested in.

Mr. Speaker, I do not wish to infringe on the time of my hon. friend for Arm River (Mr. Danielson), whom I understand is to follow me, but I wish to close on this one note: I think the quotation made by the member for Touchwood on the remarks of Mr. Harkness, which he made in the Throne Speech debate, gives the clue to why this act was passed when he said there was no alternative under the previous system of direct purchase when egg and hog prices fell below a certain level in Canadian output, to the betterment of the average farm. The object of this act, I am convinced,

is not to provide a stabilized price for agriculture, not to give agriculture its fair share of the national income but rather it is going to be used, and is being used as a means of cutting down production. I suggest that the Federal Government of today, as has the previous governments, broken faith with the people of Canada and with the people of the world, when they will use a price system for the purpose of reducing production in a world that is hungry and rather than orient themselves to the means of expanding our trade, so that we can get this food to the hungry peoples of the world. And when we ask, as we are asking in this resolution for the Federal Government to fulfill its commitments, its legislative commitments, we are not doing it only in the interest of the farmers, be they in Saskatchewan or any place in Canada. We are doing it, asking for it in the interests of the people of Canada, for you cannot have a prosperous nation if you have one cross-section of your economy that is sick and is not prosperous. We are asking it in the interests of the people of Canada, but what is possibly more important, we are asking it in the interests of the people of the world so that through the medium of a price structure, we can have not a minimum amount or production of foodstuffs, but rather that we can have an adequate production of foodstuffs so that we can make rightful contribution to the world economy and, as such, making our contribution to bringing about a state in the world in which we can have universal peace.

Mr. Herman Danielson (Arm River): — Mr. Speaker, in rising to say a few words on this resolution, I don't think I will spend much time in talking about deficiency payments on grain, because we all agree on support prices for grain and whether we are going to get any more out of it or not, we will know by the end of next month.

I would like to devote my time to deal with some of the other topics insofar as the primary producer is concerned, the family who has eggs and hogs and things of that kind. If we go back a few years we will find that the former government had the same problem with certain products of this great country of ours that this government has had. For a number of years they have been trying out different ways of alleviating the situation and they came to the conclusion that it was possible to have support prices on certain articles of food which we produce. They picked out a list of about 13 items, a list which I will mention in a few moments, and I think we will have to admit, in spite of all the things we have heard about the support prices of the former Liberal government in this House, that they made a fairly good success of that system of assisting the producers. Here is what they found, and I don't care what governments we have in Ottawa, Regina or any place else, but they found that they can use this support concept to a point where it will assist the producer to the maximum without creating an overflow of produce on the market, of products which they are aiming to stabilize.

Also there is another thing which enters into the picture and that is, by holding it at a reasonable level, not only will they prevent overflow production, but they will increase consumption, and that is just as important as anything we can speak of this afternoon. We have a tremendous consumption capacity right in Canada, and if you take Hansard, which I have here, you will see what has happened here the last two or three years. The last year that the Liberal Government had a full term of office was in 1956-57, not all of 1957 by any means, but they passed a budget for that year and there was only four products of the 13 on which they paid out or used any of the money that was voted for the price support of these products. In the next year, 1957-58, when there was a change of government, we had 5 items which they had to support, and in 1958-59 we had all 13 with the result that over \$15 million had to be paid out. That is just about the same amount of money, Mr. Speaker, that they paid out for the previous years; one under the Liberal administration and the one that we now have in power in Ottawa.

What happened? Here is where politics entered the scene and politics, Mr. Speaker, is the curse of western Canada. I say that with due deliberation. We were sold a bill of goods in 1957 and 1958, more so in 1958, that if we voted for a certain party and put this party in control of Canada, they would give us certain things. Well, they promised that, and it happened that they were elected with a tremendous majority and at once they proceeded to implement these promises which they made. In other words, they were trying to pay us back with our own money what they had promised they would do, and that's what they did. They increased the floor price on the commodities by a considerable amount; say, for instance, butter 58 cents, I think it was, to 64 cents. Well, I think that the consumers of Canada, when they bought butter at the store on the basis of 58 cents (they divided it up and sent it out all over the country) the housewife was paying a good, fair price for butter. I don't think, and I am a farmer myself and my whole constituency is a farming community, that there was any need to raise the price of butter from 58 cents to 64 cents. What has happened is that we have piled up a surplus supply, but the people still had to pay that price — the poor people have so much money, and they have to live within their means because I don't think this Government would give them any handout; they're very careful of that. So they have to live on the income that they have and if they could go out and buy margarine for 25 or 30 cents, or even 18 cents a pound less, when they couldn't buy the butter they bought the margarine. There's no question about that. In many cases it wasn't necessity; maybe just a test they felt if you're still going to push the cost of living higher we'll get along with margarine. These statements, Mr. Speaker, apply to all these products, and in 1958-59 we paid out \$15,124,000 in support prices and in 1957-58 the year before, we paid out \$5,588,000 and in 1956-57, \$5,019,000.

That isn't the end of it, because these 13 commodities, which are now in over supply in Canada — they are trying to sell them now and unload them. They have started already to try and get rid of the thousands of cases of eggs they have on hand. You know who paid the price for that, Mr. Speaker;

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it was the farmers of Canada, and the farmers of Saskatchewan more than any place in the Dominion, because the price in western Canada, particularly Saskatchewan, is the lowest of any province in the Dominion at the present time. Eggs are 32.7 cents per dozen, and that is the lowest in Canada at present time.

I think that a sign of success for any price support policy is not gauged by the amount of government money they are handing out in support of this. I think it should be gauged on the smallest amount that they have to contribute to keep anything operating, for we find that when we have those support prices set at the place where there is an equilibrium, it maintains and increases the demand; there is no incentive to increase the production. It doesn't induce the customer into buying certain goods or to accept a substitute and the farmer is protected at this high level where they can operate on a basis where they don't pile up surpluses, which after all, is the worst thing that can happen as far as the farmer is concerned. These surpluses are not eliminated all at once, Mr. Speaker, it takes years to get rid of them.

I would like to say a few things about hogs. I am going to read an editorial which was printed in 'The Western Producer' on November 14, 1959. After reading this, I think this is the concern of farmers and everyone. This is what it says:

"Deficiency payment to any one producer during a 12-month period will be limited to total marketing of 100 Grade A and grade B hogs. To qualify these must be marketed through federally inspected and approved grading establishments and only registered producers will be eligible receive payment. Quoting from the dispatch which announced that the plan would go into effect on January 11, 1960, it is noted that the deficiency payment will be the amount by which the average . . ."

and follow this very closely, Mr. Speaker:

"market price calculated on the marketing year beginning January 11, 1960, falls below the support prices which is equivalent to \$23.65 per 100 pounds warm, dressed weight for Grade A carcasses at Toronto."

"It is reported that quite a number of producers believe that they would receive deficiency payments based on the spread between the 'support price' and the average local price for the year. As the foregoing indicates, this is not the case. The payment is to be equivalent to the spread between the support price and the national average, which might turn out to be a rough

sort of a deal for the prairie producer.

"As we see it, this is what can happen: markets in the Maritimes, Quebec, Ontario and British Columbia may stay fairly close to the support level, since production in these areas is in much closer balance with consumer demand than is the case in the prairie region. Alberta, Saskatchewan and Manitoba, on the other hand, with surplus production over most months of the year, could see some fairly sharp price breaks in the near future. They are bound to come in attempts to market the production over and above the requirements of the area.

"On the open market basis, while eastern and B.C. prices may stay up fairly well, say around the \$20 mark per hundredweight, the prairie price could quite easily fall to perhaps \$15 or less."

It was \$17.75 in Winnipeg yesterday.

"The national average selling price on this basis could work out at about \$18. But producers all across Canada would receive the same amount of deficiency payment, which would be the spread between \$18 and whatever 'support price' is set, for example, around \$21. On the basis of these calculations, therefore, the prairie producer could end up the year with the \$3 per hundredweight added to his \$15 (or less) while producers in the eastern provinces and B.C. might receive a total of \$23 for hogs qualifying for the deficiency payment."

They expected the same thing, only it is more confused, with regard to eggs. Here is an article written by Ron Brown on October 2, 1959:

"One thing is certain in the minds of Saskatchewan farmers, trying to understand the effect of the new federal government policy of providing deficiency payments for eggs and pork instead of support prices as previously — that end returns will be lower to producers at least until surpluses have been eaten up or sold abroad.

"Since the new plan went into effect Thursday morning, the price of grade A hogs has dropped in Regina to \$20.15 from \$21.50, the price it has been for the past year.

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“This, hog producers expected, since the drop is the difference in the former support price at Toronto of \$25 and the new level of \$23.65 in Toronto below which the government will pay deficiency payments.

“What is not known is whether the price will go lower and for the first time in a year provide a competitive market, between buyers.

“There is some misunderstanding about how deficiency payments will be paid on eggs which producers hope will be cleared up at the meeting Thursday afternoon in Regina.

“The individual producer is not now guaranteed 33 cents a dozen for his grade A large and A extra large up to the maximum of 4,000 dozen a year. All that is guaranteed is that if the national weighted average price for the year drops below 33 cents, every producer will receive the same amount, the difference, regardless of how much he sold his eggs for.

“Prairie producers all feel that the system is bound to discriminate against them, through the difference in price between east and west caused by freight to eastern points.

“For example: if a Saskatchewan producer sells his eggs for 25 cents, the Ontario producer for 40 cents, and the weighted price across the country should average 33 cents or more, no deficiency payment will be paid.

“But if the Saskatchewan farmer sells his 4,000 dozen eggs for an average of 20 cents and the Ontario producer for 35 cents, and the national average works out at 28 cents, each would receive five cents a dozen, giving the Saskatchewan producer an end return of 25 cents, and the Ontario producer an end return of 40 cents.”

I think that is entirely different from the assumption of the farmers of western Canada at the present time. Continuing from the same article:

“Another difference between the two systems is that the former placed the responsibility for marketing on the government and the new system will throw the responsibility back on the trade.

"There are many other implications to the new egg policy. In Saskatchewan only 33 per cent of the eggs sold to grading stations grade A and it is understood that more than 50 per cent of the eggs are sold to other than grading stations. The deficiency payments apply only to eggs sold through a registered grading station".

Now, we see that there is a catch in it with regard to both hogs so far as the deficiency payment is concerned. It is, of course, discrimination against the producers in the three western provinces, not so in British Columbia, but in the rest of the three prairie provinces.

I am not going to say, Mr. Speaker, that the former method of paying support prices has fully maintained the prices. We didn't get our full share of the support prices in western Canada; we know that we didn't. There is more than one reason for this, Mr. Speaker, but the main one is that we in Saskatchewan haven't one place in the whole of Saskatchewan which is a public grading and receiving station for eggs. They have one in Winnipeg; have one in Edmonton, and have them in practically every province in Canada, except Saskatchewan. I was wondering, and many people have spoken to me about it, why, when this government has so much money to do things with and they have gone into a good many enterprises, they haven't for the last five, six or 10 years gone into that? Or they could have subsidized one of the farm organizations to go into that, because at that time there was no chance of losing anything. It would only have affected the price of eggs if the price had gone below the support level, and they, the government, would have given them protection so there would have been no loss on the operation of the plant. Instead, this Government in Saskatchewan, who is supposed to be the farmers' friend, put in a woollen mill, a shoe factory and everything else, but they didn't do anything to ameliorate the situation the farmer found himself in with regard to eggs. It's a mystery — that of all the things that this Government has done with public money, the taxpayers' money, that there has never been anything started in this province as a co-operative by the Government. It has always been a Crown Corporation.

In regard to the payment and the production of eggs all over Canada — Prince Edward produces 2.3 per cent of the eggs in Canada; Nova Scotia, 4.1; New Brunswick, 6 per cent; Quebec, 9.8 per cent; Ontario, 7.4 per cent; Manitoba, 7.2 per cent; Saskatchewan 4.1 per cent; Alberta, 8.8 per cent and British Columbia, 10.1 per cent. The average price received in the different provinces for the year, in Saskatchewan we got 32.7, per cent per dozen for eggs. This was paid on grade A large. Prince Edward island got 36.8 per dozen; Nova Scotia, 42.2; New Brunswick, 41.6; Quebec 41 cents; Ontario, 39 cents; Manitoba, 33.5 cents; Alberta, 33.7 cents and British Columbia, 47.7; and we had in Saskatchewan, as I said, the lowest in the Dominion, with 32.7 per dozen average over the year.

'There is no doubt in my mind that insofar as the eggs are concerned, we are now back to the 'dirty thirties' as we used to call it. It is taking us back to the time where I saw a boy one time on the prairies with an old pail under his arms and he was standing there, and trying to hit a gopher with the eggs he had in that pail. I saw dozens of people dumping their eggs into the pig trough for the hogs to eat them. We are not very far away from that now. We may avoid it, and I think when a housewife can buy eggs for half what they are worth, and the handlers get just as big a profit, but the farmer gets seven cents a dozen, that is one thing that should be considered. That is what the farmer in my district is getting for eggs now. One Sunday, not long ago, we were invited to dinner with a couple of farmers, and one farmer said he sent a crate of eggs down to Regina to be graded, and he got the return of seven cents a dozen, so he turned around and said to his housekeeper, "Now look here, the next crate of eggs you send it down to Craik to the hospital, and the next one to the Davidson hospital. I'm not giving those fellows in Regina any more eggs for nothing." That is the feeling and that is only natural. I am not so sure what would happen if we had a Dominion election today, but we don't have it, and maybe it's a good thing that we don't have it.

Well, Mr. Speaker, there are many things that I could say on this, but I notice that the Minister for Agriculture (Hon. I.C. Nollet) isn't in the House. I happened to look in the press the other day . . .

Hon. Mr. Fines: — Here he is.

Mr. Danielson: — . . . you know, he and I never agree on anything, but this is one time I am going to agree with him. He said: "The deficiency payment is for aiding the consumer; not the producer." Well he never said a truer word; whether that was an accident or not, I don't know, but I agree with him absolutely.

Mr. Lopton (Saltcoats): — Maybe he'll tell us.

Mr. Danielson: — The producer is absolutely out in the cold. Another thing, Mr. Speaker, today we have no man from western Canada, from the three western provinces in the House of Commons who can speak for Canada (some of the fellows are looking at me as much as to say 'We have a man down there'). Yes, yes, I am not casting any reflection on these men; they are one of 211 sitting on the right of the Speaker in House of Commons, and there is no doubt that these men, some of them farmers, and I know them very well, put up a good fight in the caucuses where they thought they had a chance to be heard, but the Government with its 211 supporters, and about 90 per cent of them from the east, they didn't have very much chance to do anything for western Canada. They are not even in a position they can bring the fight out into the open to fight for the rights of western Canada. That is the deplorable thing, Mr. Speaker. We are in the situation where we have one man down there; he's talking all the time, and you know that does more harm than good.

Mr. Loptson: — Nobody takes any notice of him.

Mr. Danielson: — It makes no difference what anybody suggests in what they are trying to do. It isn't enough. For instance, if it is suggested to increase the old age pensions to \$80, somebody would say we should have \$100. But it never gets you any place because there is a reasonable way in everything. Of all the people in the Dominion of Canada today, we as farmers deserve a reasonable share of the income that we earn. The farmer never goes on strike; we can't strike. But it is one of the things that should engage the attention of every person, because if they ever had a clear example of the political machine and how it works to the benefit of some and the detriment of others, we have it right now. You have it, more or less, in this House, but not to such a great extent. When a Government is in office and they have a good strong opposition, they have to listen to public opinion, and take into consideration whatever they do. With an overwhelming majority, they don't need to take it into account, and I imagine it would be extremely difficult for a government to take it into account. Just imagine a caucus of 211 persons! How could you get down to business with reason, logic and common sense, and do something that really would be sound in every respect. Every second someone would be pulling one way and some another. We feel it now after two years of it.

Mr. Speaker, I will support this Motion, as I think will everyone on this side of the House. But I do want to compliment my friend (Hon. Mr. Nollet). I told him so a little while ago, but he wasn't in the House then: I agree with you on one point, when you went to Moose Jaw, or wherever it was, and told them that deficiency payments were for the consumer; not the producer, I agree with you. That is the way it works out, and the way it will always work out!

Mr. B.L. Korchinski (Redberry): — Mr. Speaker, I just want a few moments of your time to say a few words on behalf of the farmers in my constituency. Before I proceed with that, I would like to make some remarks upon some of the things that were expressed here in the Legislature on this motion. I would like to draw to the attention of the people on your right side that now they have the opportunity to see the difference between the Liberals and the Conservatives.

Opposition Members: — Hear! Hear!

Before this calamity overcame our farmers, where they have to sell their eggs at seven cents a dozen, we had in Ottawa a Liberal administration, and for years and years we have been hearing C.C.F. spokesmen in the House here and out in the country, say that there no difference between the Liberals and Conservatives. They could not understand the difference, but now, very dramatically, they can see the difference because now the farmer gets 10 cents or less for his eggs. When the

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Liberals were in power he was getting over 30 cents; the lowest price. Now the farmer gets 18 cents for the best of his pork, and when the Liberals left office in 1957 he was getting 33 cents. So, if they cannot see the difference between 10 cents and 30 cents and 18 cents and 33 cents, I think they should go back to school.

I was surprised that in discussing this motion about the Price Stabilization Act, the C.C.F. Party in this House did not propose an alternative. I was expecting that they would come out and talk about planned economy for agriculture, for that is their favourite topic on the hustings. It is a wonderful word for catching votes — 'planned economy'. If there are any difficulties in this province, the C.C.F. are going to solve it by using planned economy. You see, the words 'planned economy' are very wonderful words because it appeals to people when they hear a deeply scientific word that they say well, perhaps the C.C.F. have something there, so perhaps they support them and if they have this planned economy then maybe our difficulties will be all solved. So I was really surprised that no member explained this 'planned economy'.

I heard something from the other side in this discussion that the Liberals and the Conservatives are the capitalists in this country and they are going to use that bogey 'capitalism' and 'capitalists' because it worked so well way back in the hungry 'thirties, to get support for the C.C.F. Party. They are beginning to wave that word before the electorate again. 'Capitalist' and 'Capitalism', but never do they go to any trouble to explain to people what they mean by those words. In fact, most of them are capitalists themselves, because they do have some worldly goods. I think that most of the members on the other side, in fact I understand through the grapevine that most of them did very well for themselves. Are there any of them over there who can't be considered as capitalists? I would say that they should use those words 'capitalist' and 'capitalism' against the Liberal party, or any party, with reserve. They should explain fully what they mean.

Having said something about all this, I would like to say something the price of eggs. It is really a shame that today the farmers in our province be asked to see eggs for seven cents a dozen. I was home on the weekend and I went from store to store and asked the merchants about the situation in connection with eggs, and they said there are no more eggs coming in. We were paying 15 cents a dozen, and one of the merchants showed me his returns. He got 7 1/2 cents a dozen, but he paid the farmer 15 cents a dozen, just to keep him from complaining. He paid the difference himself, out of his own pocket. The farmers stopped bringing in eggs. I asked some of the farmers what they were doing and if there were no more eggs in the country, and one of the farmers said he was feeding the eggs to the calves and the stock. Good, large, fresh eggs, today are being fed by the farmers to the hogs and cattle, and they are not offered on the market. This morning I took the trouble to call up the stores in the city to find out what they were charging the consumer here for eggs, and here is what they said: "52 cents, large; 49, 47, and 35 cents; those are the prices

that the people in Regina have to pay for eggs. Our people in Hafford, Blaine Lake, Edam, and Meota and those places get 7 cents a dozen, but people in Regina pay 52 cents for fresh eggs. The 49, 47 and 35 are storage eggs, and if you look at the container you will find that most of these eggs come from Winnipeg. I think there is something wrong. Who is making the money? Who is making the profit? I understand that the Provincial Government could do something about it. They say it is impossible, but I understand they could pass a price control in the province, on eggs. They say that if they put a floor on egg prices that there would be an influx of eggs from the outside, that the market would be flooded with eggs from Manitoba and Alberta. But they have never tried that. I am sure that with all the experts that we are now paying, there could be some way found to prevent eggs from coming into Saskatchewan.

Hon. Mr. Nollet: — Ah, nuts!

Mr. Korchinski: — The Minister of Agriculture says 'nuts'. We are not dealing with nuts; we're dealing with eggs.

Opposition Members: — That'll show 'em!

Mr. Korchinski: — We don't raise nuts in Saskatchewan, unless the Minister of Agriculture is going to go into that, and start raising nuts. With regard to eggs, I say myself that something could be done if you tried.

Mr. Cameron (Maple Creek): — They did it with honey.

Mr. Korchinski: — I have one practical suggestion to make outside of this: we should try to hold the Conservative party in Ottawa responsible for the situation here now and, equally, this government who is responsible for the price of eggs. They haven't tried to do anything about it. They could at least have tried, and I would suggest that in the cities, this may be a practical suggestion; the labourer in the cities may try to buy directly from the farmer. If the government has abandoned them completely in this respect, they may be able to help themselves. Most of the people in the cities are former farmers or have relatives or friends on the farms. I would suggest to them that they get in touch with those farmers, pay them a good price for their eggs, and for their pork and have them shipped into the city and they will get good, fresh eggs. We have been shipping eggs into Regina from Speers. It costs 90 cents for the crate to go in and go back from Regina. I have been getting eggs from a producer in Speers, a person who has a flock of 1,200 hens, and I have been getting large eggs for 18 cents a dozen; real good, weighed and graded and so on. I ship them to some of my relations in Regina, and it costs 90 cents for freight both ways.

Hon. Mr. McIntosh: — Aren't you ashamed to pay so little?

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Mr. Korchinski: — City people can go out and get pork directly from the farmer, first-grade pork, the best that you can get. I don't think that you can get first grade bacon in the stores because it sure doesn't look that way when you see the bacon you can get from the farmers. You can get that at 18 cents a pound, and they will butcher and deliver it for you. It may be a practical suggestion, and I hope that people try it because I am sure they would enjoy good fresh eggs instead of getting them out of storage; and the first grade pork, too, I think the farmer would be only too pleased to sell to them.

Another thing that was mentioned, and I think that this Government should be doing something about it, and that is the vertical integration and contract farming. Few people actually know the meaning of those terms. Generally speaking, there aren't too many people, farmers and others, who are aware of what is going on.

Hon. Mr. Walker: — They might know more than you think they do.

Mr. Korchinski: — Well, some of them do, but there is a very large majority, and I talk from experience by talking to farmers. Not very long ago we had a Home and School meeting at Speers, and the program committee got a film from the University of Saskatchewan on this matter. The farmers there, who are very progressive, thoroughly enjoyed studying this matter and discussing it. We didn't know what was going on and it looks as though we will have to make adjustments, and we have to plan ahead. This is one place that the Department of Agriculture, and perhaps the Visual Branch of the Department of Education could do a lot in disseminating the meaning and what is going on in this particular phase of farming. I think that our government here on the prairies should be taking some definite steps in proposing legislation as far as vertical integration and contract farming is concerned, because if nothing is done, I believe there is going to be another disturbance in our farming. This type of farming is seeping in mostly from the United States, and from the east, and I think it threatens the family farm. There is no question about it. I believe that much more information should be available and distributed. I am sure the Ag. Reps. are doing all they can, and I think there should be many more channels to pass their information along to the farmers as many of them would like to know all there is to know, and what adjustments will be necessary.

I am certainly in support of this motion, not that I agree with the C.C.F . . .

Hon. Mr. Nollet: — Heaven Forbid!

Mr. Korchinski: — Heaven forbid is right! I think that at least a little help should be coming to the farmers in this particular motion. I hope it does bring some results.

Hon. I.C. Nollet (Minister of Agriculture): — Mr. Speaker, I didn't expect to participate in this debate today as I was hopeful that more of the private farmer members would support and participate in it. I think the motion on the Order Paper is a most important one, and merely indicates the promises made by the present Government during the election campaign. The Federal Government intimated in pretty strong words during the election that they intended to bring to the farmers of Canada, their fair share of the national income. It was pretty well understood, and the farmers of this province were led to believe that they would do this. I don't think that there has ever been a time, Mr. Speaker, when the farmers of this province were more disappointed in a government's election promises and the subsequent action in going in just the opposite direction than they were when they voted for the Conservative members to the House of Commons from the province of Saskatchewan. I could go back to other days when the Liberals promised the farmers dollar wheat and all that sort of thing, and were let down.

Mr. Speaker, the hon. member who just took his seat, the member for Redberry (Mr. Korchinski), mentioned that this proves there was a very definite difference between the Conservatives and the Liberals and their philosophies. Mr. Speaker, their philosophies are identical, there isn't any difference. It is merely, Mr. Speaker, a matter of degree. The Conservatives, in order to get rid of surpluses, went a step further. They just drove the farmer down a little more in terms of price. But I hope that the hon. members opposite aren't going to argue that Mr. Gardiner's floor prices were remunerative prices, and that they were an incentive to production, because they were not. We have witnesses, all through the post-war period ups and downs in the production of hogs and poultry products and cattle. Why? Because both of these parties have maintained that we should cut our agricultural production to domestic needs. That we should be very careful not to produce surpluses, That's the thesis that has been enunciated time and again by the Rt. Hon. former Minister of Agriculture in Ottawa, and has been reaffirmed on many occasions by Mr. Harkness. So there is no difference in philosophy. And what device do they use to discourage surplus production? One of the most vicious devices that they could institute, Mr. Speaker — price manipulation. A device based on the law of supply and demand, it is the good, old, free enterprise law of supply and demand that has done more to ruin farmers in this province and throughout Canada than any other philosophy that I know of. We say now, Mr. Speaker, if the new leader of the Liberal party wants to fight the election campaign on the issue of socialism versus free enterprise, I more than welcome him to do so. Believe me, the farmers of this province know something about how free enterprise has treated them. These people believe in the law of supply and demand; Mr. Gardiner upheld the law of supply and demand when he said, we'll put on floor prices and when prices fall to that level, then we'll start buying some of the products, but neither party has ever guaranteed the price to the producer. Neither one! Yet the hon. member for Arm River (Mr. Danielson) gets up and tells us about how much the Federal Government has spent in support of farm income. It's negligible and disgraceful, Mr. Speaker. The Government of Canada, whether was a Liberal or a Tory Government, have done less in terms of supporting

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farm income by way of deficiency payments, or as the hon. member for Arm River says, 'handouts' than any country in the world which is a major agricultural country. Less!

Mr. McDonald: — I can't hear you.

Hon. Mr. Nollet: — The hon. member doesn't hear me when he doesn't want to hear me, but these are facts.

Mr. Speaker, I think we ought to make up our minds pretty quick. The people in high places and the Liberal party should make up its mind pretty soon, and the Conservatives too, as to what the farm problem is really. Is it the matter of surplus? They just shiver in their boots over surplus, because they believe in that old theory that if a farmer produces too much, the only way you can deal with him is to punish him by giving him little or nothing for his product. And what do you do when you do that? Mr. Speaker, you aggravate the farmers' economic position; you place in jeopardy not only his family for their educational needs, for their health needs, but you place in jeopardy local municipal services and provincial services as well. It's as plain as that, Mr. Speaker. What is the fundamental problem of the farmer in modern society? The fundamental farm problem is the fact that the farmer has not been enough to pay their cost of production; they have not been getting enough in terms of income to provide the services the farmer should have. We have been told here repeatedly, Mr. Speaker, that we bring in programs that are going to take money out of the farmers' pockets. We talk about rural electrification and the new farm improvement programs and the hon. members over there say, "Well, that's going to take more money out of the farmers' pockets." Now we are talking about the major issue of farm income and they will recognize and also support this motion, Mr. Speaker, and when they do, they'll admit that these are problems that have to be settled at the national level. The hon. member for Redberry gets up and says: "Why, you cannot set the prices on eggs." I don't suppose he has ever heard of the B.N.A. Act; he has never heard that provinces cannot do anything to restrict inter-provincial trade. The hon. member for Arm River states his solution is more storage. I want to tell him that we have all the storage we need, and believe me, we will have empty storage space in short order when Mr. Harkness gets through.

All of these price lowering devices have been used, Mr. Speaker. They have been used to reduce the amount the national treasury would be required to provide to the farmer. Let me tell you this: the former Liberal prime Minister at the close of the war, promised the farmers of Canada this: he said, that in view of the sacrifices that you have made in controlling inflation and accepting comparatively low prices, never again he, said, would agricultural prices be permitted to drop to ruinous levels. They passed the Agricultural Prices Support Act, with an appropriation for it; intended to be used to support farm income. Very little of that fund was in support of farm income. The legislation was right on the statute for them to use, and they didn't use it. When you add it all up, what did it amount to? Outside of the foot and mouth disease which could

only be considered in light, of national emergency, some \$40 million was paid out in support of farm income. The daily press, including the 'Leader-Post' and one of their paid propagandists in the gallery, would have the people believe that enormous sums have been paid in support of farm income, and every time a proposal is made by the farm organizations, or a delegation to Ottawa, what do you find in this local paper here; this daily in Saskatchewan 'The Leader-Post'. Nothing of a constructive nature. Mr. Speaker, some day when I have time I am going to line up all of the adverse editorials written against the farmers of this province by 'The Leader-Post'. They have condemned, in my experience, the Wheat Pool when it was organized, and this gentleman that sits up in the press gallery, I have an article that I expect to bring into this House and to bring to the attention of this House, refers to the Wheat Pool as another 'burgeoning grasping corporation'. This is the kind of stuff we can expect to get from our daily newspaper. There is very little support in behalf of constructive proposals to enable our farm people to better their economic position, and also better their social position by way of enabling them to have sufficient income to pay for the amenities of life that they ought to have.

The hon. member sits there and grins. Here are the facts. In 1957, a year for which we have all the facts, in that year, Mr. Speaker, if you took the agricultural industry as a whole in this province, it went into the red to the tune of \$25 million. At the prices prevailing at that time, it is little wonder that the farmers are in difficulties. As I said, Mr. Speaker, the major problem facing the agricultural industry is how to provide this industry with enough income to enable it to survive and to enable people to work in this industry, to have the same standard of living as people enjoy in sectors of the economy. How are we going to accomplish this? We are not going to resolve this major problem by treating it in a segmented and isolated manner. I am probably more aware than anyone else regarding the disparity and the disadvantages of the Saskatchewan farmer in terms of producers prices, than other farmers in Canada because of high transportation costs to Saskatchewan farmers. We are the one province that depends primarily on the export of agricultural commodities for our farm income. We export from this province more farm products than any other province. And we are handicapped. These are things we know. I prefer, Mr. Speaker, not to talk about these side issues, but just to state the premise that, if the total last bill for this industry in 1957 was \$711 million, it needs that much money in terms of income to survive. How are we going to put this amount of money in the industry? Obviously it will be necessary to use the mechanism of price in the first instance, and such price, when one thinks in terms of cereal grain, has to be sufficient by taking into consideration the crop failure years. It is only fair that any price for grain should be based on long-term average yields for which we have records. If this were done, Mr. Speaker, together with appropriate prices, for other agricultural commodities based on current levels of production, we could thus put enough money into the industry as a whole to place the industry on a self-sustaining basis.

There are other things, Mr. Speaker, besides prices that determines a farmer's net income and his purchasing power, and these are determined by the cost, the price of things that the farmer has to buy. It is also determined by natural hazard factors, if we have a grasshopper infestation, drought, crops under the snow, and that sort of thing that also has an affect on farm income. Therefore, we would quite obviously have to provide for this kind of eventuality. I am thinking, Mr. Speaker, in terms of 103,000 family farms; families operating this industry of ours in this province. I am interested in making sure that they have some income stability whether there are dry years or crop failure, or good crop years. It is obvious too that farms vary in size, costs of production vary from farm to farm, because of size, because of soil and because of climactic factors. It is humanly impossible to set a price that would be completely satisfactory and equitable and fair to all, so why should we attempt to do it on this basis? I say, pay the money out at a uniform price, regardless of farm size, and when the products are marketed, make the appropriate deductions and the bigger the volume of marketing the bigger the deduction for a farm, to build up a fund which would take care of crop insurance. It would also take care of loss of income because of hail, snow, rain or insect infestation, or because of disability as a result of losing an arm or a leg. All of these things can be done Mr. Speaker. It is definitely possible to build up this kind of fund, but first of all, basically there must be enough money to put into the industry as a whole price-wise, in order that the industry can contribute sufficiently to such a fund.

Now the big question comes up. Mr. Speaker. Who is going to pay the price? Should the consumer of Canada be asked to pay the entire price? Well, this is a matter that can be determined by government policy. If the Government feels that in keeping the prices of food at a reasonable level because there are low income groups as there are, then if the national government, if it so determines, by policy could support the whole industry by making up the difference in terms of what would be a real consumer's subsidy and at the same time giving the farmer the income he ought to have. But for heaven's sake, don't call it an agricultural subsidy in favour of the farmer, but a subsidy to keep food at a price level because food is necessary to keep body and soul together.

Very briefly, Mr. Speaker, this in my opinion is a proper approach to a solution of the farm income problem. And that is the real problem. We must remember this: we are living in a changing world. We've got to change with it. Everybody is worried about agricultural mechanization and leaving the farms. The hon. member for Redberry mentioned vertical integration. A good deal of this stimulus to vertical integration is profit drive on the one side, on the side of the farmer. It's a matter of trying to survive somehow and knowing that he can only expand horizontally to a certain limit, and of course some good sharp business farmer realizes that he can get greater volume of production, even if he makes a little less money for example on each turkey, each egg, or on each chicken, that in terms of volume he'll still have a good income. It is the economic pressure that brings this contradiction, so we have vertical integration at a

time when governments are afraid of surpluses, when there is no great demand for such intensive production. I am one that believes Mr. Speaker, that a family farm unit can be efficient. I believe that it is socially desirable and I believe that if we are going to find a solution to the problem, we've got to think in a lot bigger terms than we are thinking now, far beyond this price stabilization act, far beyond The Agricultural Prices Support Act, brought in by the Liberal administration; we've got to think in terms of a comprehensive marketing and farming policy for Canadian farmers and finally, I hope be even the first so-called free-enterprise, capitalist country with our form of democracy that can prove to the rest of the world that our type of democracy can solve the problem of the farmer and bring forth, if necessary, more food production and take that food where it belongs, to hungry people. We, in my opinion, Mr. Speaker, should be banding every effort to produce surplus food when we all know that people are starving to death the world over. That is an actual fact, and if we in the western democracies can't prove that, we can take our surplus production to those people, no amount of threatening on the atomic level, and the guided missile level, will convince people that we are right, that our system of democracy and that our philosophies are the best in the world. We have to prove these things by deeds, and I hope that people will begin to realize this. All of this quibbling back and forth in this House, all this political talk! There are big issues facing the people of this country and facing the people of the world. I don't know why the hon. Members opposite can't seem to comprehend that we have one main purpose and that is to rise above our environment, take a good look at it to see how we can improve our circumstances. I say, Mr. Speaker, that the need for attention to this type of motion is urgent. I hope it gets the attention it should on the part of the Federal Government, and I want to say now that we are prepared here to join with the other three prairie governments, if necessary, to make collective representations to the Federal Government to finally bring justice to western agriculture.

Mr. A.H. McDonald (Leader of the Official Opposition): — Mr. Speaker, we have been accused a few moments ago of small political talk by the speaker who has just taken his seat. The only difference between his address and the preceding address was that his was probably longer.

First of all, Mr. Speaker, I would like to answer some of the arguments that have been presented here this afternoon. I think the Resolution is only asking the Government of Canada to implement the policies and programs that they promised that they promised the people of western Canada prior to their election, and for that reason alone, I think it deserves the support of every member in this House. I am one of those who is convinced that there are a lot of people in Saskatchewan, especially rural people, who voted for the Conservative party because they were convinced in their own hearts that Mr. Diefenbaker and his friends were going to solve some of the economic problems that confronted Saskatchewan and other parts of Canada. I want to repeat that in

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supporting this resolution, I think that, we are just asking the Prime Minister and the Government to bring into being those parts of their program that we, the people of western Canada (not 'we' in particular — there are an awful lot of other people), supported on two different occasions.

I am rather concerned with the continued thinking of the Minister of Agriculture in that he seems to believe that there is no difference between Liberal and Conservative philosophy with respect to agriculture. He still seems to believe that no matter how large a surplus we might create, that that surplus could be disposed of on world markets. I agree that the consumption of the world is such that it could consume all of the surplus products, or all of the products that we could produce either here Canada or the country to the south of us, the United States. However that has not been the experience. Experience has shown us that it is most difficult to move surpluses even for free into those markets of the world that could consume them.

I think that when we are looking at this problem, we must look to the problem that our neighbour to the south has been confronted with, and I am referring to that great country, the United States. The Minister of Agriculture, again, seems to think that the law of supply and demand is outmoded and outdated, and shouldn't even exist.

Mr. Cameron (Maple Creek): — He shakes his head!

Mr. McDonald: — Mr. Speaker, I want to say this, that as far as the surplus of cereal grains in the Dominion of Canada is concerned, it wouldn't amount to a hill of beans if it hadn't been for certain agricultural policies that were pursued by that country to the south of us that created uncontrollable surpluses and put us in the position that we are in now. The surplus of cereal grains in Canada was not caused by Canadian agricultural policy. This surplus was caused by policies of our good neighbour to the south. A good deal of land was put back into production in that country, during and after the last World War, land which, in my opinion, never should have been put under the plow, together with policies I cannot agree with, that is setting prices that were incentive prices and creating a surplus that has proved to be uncontrollable. It has effected not only their people, but it affected ours as well. Of course that great country of the United States has a treasury that is much stronger than ours, and they have subsidized agriculture to a far greater extent than we have in Canada, but I want to make myself clear that if we are going to live in a subsidized economy, as we are in Canada, and have been for many years, then the farmer is entitled to his fair share of subsidy. But I am one of those people who does not believe in subsidies, tariffs, and protections. I do not believe that agriculture, industry or any of our economy, if it is uneconomic, should continue to exist. But what is now in this country is that we have persisted in keeping uneconomic interests in our midst, and we as farmers haven't been receiving our fair share of the protection and we are now caught in the cost-price

squeeze because of some subsidies and protection that are being paid to other sections of our economy.

The whole problem with agriculture is that the farmer is asked to sell his products on the free markets of the world to a large extent, and with the same breath, is asked to buy goods and services off a protected market. And it is impossible, Mr. Speaker.

I was also taken in with the remarks of the Minister of Agriculture when he referred to setting prices. This Government that sits to the right of you, Mr. Speaker, does set prices. There's no better example than the Saskatchewan Timber Board, who sets the price they will pay to the producer and sets the price they will sell to the consumer.

Mr. McFarlane: — There's an indication right there.

Mr. McDonald: — I shouldn't be coming into this particular part of my remarks as I think we should deal with the resolution as it is on the Order Paper, but I do want to say that as far as eggs are concerned, there are no facilities in this province to store eggs. There are no facilities in the province of Saskatchewan to store eggs in any quantity, but had this government taken advantage of federal legislation under a Liberal government and it was available to them, they could have set a floor price on eggs, paid that floor price, and if they had lost money, the Federal Government would have had to pick up the tab. That was never done, Mr. Speaker, and this province has a some responsibility and so has every other province, in my opinion, for maintaining the stability of agricultural products.

However, that is getting away from the resolution.

I want to repeat, Mr. Speaker, that because the present Government of Canada promised the people of western Canada, and the farmers especially, that they would implement the program that this resolution calls upon them to implement, then it is going to have my support. But I want to repeat that I do not believe that this is the answer to our problem. I do not believe that. Some people have accused me, saying that I was opposed to deficiency payments. Nothing could be further from the truth. If Canada is going to live in a protected market through tariffs and subsidies, then the farmer is entitled to his fair share, and he is entitled to his fair share of the national income, no matter how it has to be paid. There is no way that the farmer can pick up his losses for past years unless we pay deficiency payments. He is already in the hole; his products have been sold at a price whereby he could not make his return and his expenditures balance. So naturally, we have to adopt some policy that can pick up those losses for past years. I do not believe that this is a policy that should be pursued into the future. I am one of those who believe that if we get into a free trade market that we can solve our agricultural problems. We can produce agricultural products, Mr. Speaker, in my opinion, here in this province of Saskatchewan, as cheaply as they can be produced any place in the world, providing that those people who are engaged in the agricultural economy are allowed to buy their goods and services that they require, in order to produce agricultural products on the free markets of the world. Surely we are not going to

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continue to give protection to some economic industries at the expense of the greatest industry that this country as a whole has, and, in my opinion, ever will have.

I was amazed a few days ago to read in 'The Leader-Post' the number of times it is quoted in this House, "I wonder if we shouldn't have a member representing 'The Leader-Post.'"

Hon. Mr. Walker: — You have. You have plenty of them over there.

Mr. McDonald: — But I read in 'The Leader-Post' a few days ago what the present representative of Saskatchewan in the Federal cabinet had had to say about trade and the possibility of extending our markets with Japan, and he was complaining that some textile industry in Cornwall had had to close up because of this competition from Japan. Well, now, I wonder if the people of Qu'Appelle sent Mr. Hamilton to Ottawa to represent the city of Cornwall, or whether they sent him down there to represent Qu'Appelle. I wonder if he is sitting in the Government at Ottawa, representing some industries in Ontario or whether he is there representing the people of this province. As far as I am concerned, that particular city of Ontario must have a member in the House of Commons. I presume he is qualified to look after their interests, and as far as I am concerned, the people who represent Saskatchewan, their first concern should be to represent the people as a whole, but as a Cabinet Minister from this province, his second responsibility is to represent the people who sent him to Ottawa. I am convinced that he has neither the support of the people of his own constituency, or the people of this province, when he made a statement such as he gave 'The Leader-Post' when he visited this city. It is quite true; it doesn't matter what political party sits in Ottawa, we as citizens of western Canada, have made a promise to receive equal and fair treatment from our government in Ottawa because of the fact that the great bulk of our population lives either east of the Great Lakes, or out on the west coast.

The other day one of the speakers mentioned the fact that in all probability we will have less representation in the House of Commons after the next Federal election than we have at the moment. I think we all agree that there will be some reduction in our membership, but right at the very moment, Mr. Speaker, we have 17 members from the province of Saskatchewan in Ottawa. There are 17 members representing metropolitan Toronto. There are a million and a quarter people living in metropolitan Toronto; there are some living in Saskatchewan, I think under those conditions, that the people of western Canada have a tremendous problem before them. We all recognize, and I don't care whether it is a C.C.F. Government, a Conservative or Liberal Government, or any other kind of a government in Ottawa, when the preponderance of people in Canada live in an area far removed from the prairie provinces, then it is most difficult to get through to these people those policies that we believe we must have in order to exist as a prosperous province and a prosperous people in western Canada. So I think the members that we do send to Ottawa, no matter what political party they may represent, that they must continue to battle for those interests

that can best be served to the people of western Canada, and that has not been the case, Mr. Speaker.

I am more than pleased to give my support to this resolution, and I hope that it will have the unanimous support of the House. I hope it will have some bearing, some persuasive powers to have the Government of Canada implement this program that they promised to the people of western Canada. But I want to repeat, Mr. Speaker, that I am not convinced that this is the answer to our problem. I am not convinced by the suggestions made by the Minister of Agriculture, that these are the answers to our problem. Some people in other parts of the world have adopted more stringent controls as far as agriculture is concerned, and I don't think that is the answer, their record isn't very good. I think the fewer controls we have, the better off we will be. I was as convinced today as I have ever been and probably more so if they had put us on free trade with the rest of the world, and let us produce those products, that we can produce, in competition with the rest of the world or with anybody.

Hon. Mr. Walker: — That was Mackenzie King, in 1934.

Mr. McDonald: — I don't care whether Mackenzie King believed in it. I believe in it now.

Opposition Members: — Hear! Hear!

Mr. McDonald: — I believe that the one move alone would do more to supply the hungry people of the world, not only with the food that they need, but it would give them an opportunity to produce goods and services that they can produce cheaper, and we could import into Canada and bring down the cost of living in this country. Not that the farmers' problem is only that he is not getting enough for the goods and services that he is producing, he is being plagued today, along with all the rest of us, by the high cost of living, and the great reason that we have that high cost of living is part of the price that we must pay for subsidies, protections and controls. I don't believe in it, Mr. Speaker.

Mr. W.J. Berezowsky (Cumberland): — I did not intend to rise and participate in this debate, Mr. Speaker, but after to the Leader of the Opposition, I find that it is necessary for me say a few words.

I would like to ask the Leader of the Opposition a question. In the event there was free trade, what would he do with a situation such as we have existing today? The hon. members will recall that in 1956, when we were sitting in the Select Special Committee on market farm income, questions were asked of various people as to how this problem of the farmer could be solved. I recall quite well the representative of the packers at the time, in reply to some questions which I asked, stated that it was the packers who set the prices to the producer, and later on, when he was asked another question, I recall he answered that question with the reply, "it is the packer who sets the price to the retailers".

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It is all right to talk about free trade, but it's another generalization. The way I see it, unless you have controls, then you are not achieving what we are trying to get for the farmers of this province and this country.

Mr. McDonald: — Is that the question you wanted to ask me?

Mr. Berezowsky: — Yes, you have heard the question I would like to ask all of the Liberals.

They talk about free trade, but they do not talk about it under a controlled price structure. Let me give you an example, Mr. Speaker, of a few years ago which is a good example. I happened to be in a partnership in a store in 1944. This was a store in Meath Park. I remember we were buying eggs, and eggs at that time had a certain price structure. This experience will illustrate what actually happened while buying and selling eggs. We were buying these eggs through the store for about 22 cents a dozen, and I remember quite well that we were paying the farmers at that time 23 and 24 cents in competition with other stores. But we never got the price that we paid! Ours were store eggs and I decided that we would candle eggs in the store and get better grades. It didn't make any difference. We sent a case of eggs to Canada Packers and received returns averaging 19, 22, and 23 cents a dozen. One time, having received out of a case, six eggs that were A's, another six or seven B's, the rest were all C's. I happened to walk into Canada Packers, and I protested about the price we had received. It was explained to me by the manager at that time that they couldn't pay any more because that was all we had, the half dozen each A's and B's. I asked him what he did with the C's. He told me he sold them in Prince Albert. Well, I replied, I was amazed. Later when I walked out his office down to the platform I noticed a carload of eggs, and the door to the car happened to be open on the east side of the Canada Packers plant, and I glanced inside and saw a carload of eggs being shipped out of the plant. Half were marked 'A' and the other half marked 'B'. Where are your 'C's'? He answered (and I think this is the crux of the whole situation) "We have a few cases of 'C's' in the basement." What I am trying to point out is that no matter whether you have free trade or anything else, as long as you are going to have that kind of exploitation by the packers and others the farmer is not going to get a fair price for his product, and the consumer is going to pay a high price for the product. As long as those wolves, and that's all they are, are going to have a free hand to do what they are doing, and they are doing it with pork today, certainly the pork that is being sold by the farmers today at 18 cents a pound is not any cheaper than it was two or three months ago to the consumers who are still paying a high price for bacon. Who is getting the subsidies in this country today? The packers! I say that this is something we must not overlook. Whether we have reduced tariffs, whether we have free trade, yet until such a time as the Government of this country has storage possibilities, and until such time as they can control prices, the situation will not improve itself.

Mrs. M. Batten (Humboldt): — Will the hon. member permit a question?

Mr. Berezowsky: — Yes, certainly.

Mrs. Batten: — Is he also accusing the Saskatchewan Co-op Creameries of practices like that?

Mr. Berezowsky: — I'm not acquainted with what the Creameries do. I'm at present dealing with experiences I have had, and I think that is the general experience as far as private enterprise is concerned.

Hon. T.C. Douglas (Premier): — Mr. Speaker, I rise merely for the purpose of expressing my support of this resolution and to say how pleased I am that all members in all parts of the House are unanimous in supporting this resolution, although maybe for difference reasons. I think we are all agreed that the Agricultural Stabilization Act, and particularly the principles set out in the preamble, has not been lived up to and that this has had an adverse effect upon agriculture generally, and agriculture in western Canada, in particular. I am pleased that all the members are going to express, I understand, unanimously their support of this resolution so that the Government of Canada and the people of Canada may know where this Legislature stands on this matter.

I don't want to get into any philosophical argument with anybody, but I do want to point out the position which we take on this side of the House. I respect the statement which has been made by the Leader of the Opposition, who said that paying deficiency payments or support prices, or stabilization prices to the farmers is not the ultimate answer, and in his opinion the ultimate solution lies in a system of free trade. I have no quarrel with that position except to say, in my opinion, it is 'baying after the moon'. It is like trying to go back to the 19th Century. It is years in this country since we have had everything even resembling free trade. I doubt if ever since Confederation there was any system of free trade in Canada, and even a Liberal Government committed to free trade, which left office only in 1957, and which had been in office for 32 years with only one short interruption, weren't to bring about this state of free trade. The Leader of the Opposition himself pointed out some of the difficulties there are in the Parliament of Canada which has a great preponderance of representation from industrial areas. This creates a good deal of pressure for protective tariffs which so far, no government has been able to resist. The group which I have the privilege of being associated with, has always taken the position that we ought to have free exchange of goods without tariffs of any kind, and to use import and export boards so as to balance our trade without any tariff protection at all. We can agree with him on the advisability of being rid of tariffs. But I do point out two things. One is that such an idealistic state of free trade has certainly never been attained and all the indications are that it is not likely to be attained. The second point is the point the member for Cumberland (Mr. Berezowsky) made. This, I think, is worthy of consideration.

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Even if you remove all your tariffs, this still does not provide sufficient competition to keep the price of the goods which the farmer must buy down to an economic level. "We have lived during the last 75 years in a period of growing monopoly. I take you back to the Mass Buying and Spreads Report, 1934-35. I take you to the Gordon Commission, and the recent Commission on Price Spreads by Dr. Andrew Stewart which reported only a few short weeks ago. All the implications are the same. Prices increasingly are being controlled only by powerful groups, not only within the nation, but in powerful international cartels. How do you keep these prices t the farmer down, even when you remove tariff barriers. I was on the House of Commons Committee which looked into the price of farm implements as far back as and 1937 and 1938. I remember we subpoenaed the President of the International Harvester Company from Chicago and he was on the stand for several days. I want to pay tribute to the man who was the committee counsel, Mr. Graham, who later became Mr. Justice Graham. Under questioning, he admitted very frankly that there were four companies that controlled the major sales of farm implements on this continent, and that his company set the price, published their catalogues and the other companies copied their prices. When the counsel asked if this was collusion or is there agreement, he said no, but we set the price and everybody adopts our price. Heaven help them if they didn't, of course, Mr. Speaker, because this company which had the major part of the sales would have broken any of the smaller companies who hadn't come into line.

The idea that it there is plenty of competition, it will keep the prices for the farmer and the consumer down, isn't borne out. As long as you have a society in which you have growing monopoly, which are enabled by some means or other to arrange among themselves the price people will pay, you are not going to have an ideal free state, You are not going to get the dream of Stuart Mill, or Ricardo or of Adam Smith. If we are going to live in a society in which you have powerful economic, groups, able to have some influence on the amount of the national income which they are going to receive, then the farmer must have some similar type of protection. That is why I said sometime ago that the farmer had no bargaining power in the same way a group of manufacturers have, or in a sense, that the trade unions have. They are not so organized that they can withhold their products from the market. When their produce is ready they have to sell it, because they need the money irrespective of what the price may be. The catastrophic results of the present agricultural stabilization legislation is that the moment you have a surplus of 2 per cent, it isn't the price on the 2 per cent, that drops; it is on the whole 102 per cent. The price of the commodity that would normally sell at an economic figure drops, as well as the 2 per cent surplus. That is why this type of legislation has been so disastrous.

We, in the C.C.F. feel that there are two basic principles that must be applied in a situation like this. The first is that since we have in this society (and as long as we have this kind of society) economic groups will be able, either by means of bargaining or by means of collusion, garner to themselves a substantial share of the national income, then the farmer must have some type of protection. Since he can't get it through organization like

the Canadian Manufacturers' Association or a trade union or some other group, then he must have it by means of legislation that will guarantee to him a fair share of the national income. This may be, and probably will be deficiency payments. This may mean, and probably will mean, taking surplus commodities off the market, so that we can retain the price at reasonable levels, and paying the farmers for those commodities so purchased. It will mean guaranteeing parity prices.

Much has been said of the program of the United States. A lot of mistakes have been made. In the program of the United States, there isn't any doubt about that. I think their system of guaranteeing prices for wheat, for instance, irrespective of the quality of the wheat, and in some cases prices that were incentive prices, was probably a mistake. But the fact remains that by their program of support prices in the United States, they have retained the purchasing power of the farmers. A good deal of economic prosperity in the United States in the last 15 years has been due to the fact that millions of farmers have had purchasing power to buy the products of industry. Let's never forget that, when we make a plea for the farmer, we are not making a plea for the farmer alone. At the Federal-Provincial Conference in 1956, when I asked the Prime Minister of that day to put the question of farm income and farm marketing on the agenda, he thought it wasn't necessary. The men who rose to speak in support of what I was asking about was the Premier of Ontario, and he made this statement:

"We've got. pockets of unemployment in our province and when we investigated the reason for this, we found that most of the pockets of unemployment were in those areas of Ontario which supplied tracks and farm implements to the farmers of western Canada."

He said:

"We are already feeling the impact of the reduced purchasing power of the western farmer."

As the member for Bengough (Mr. A.L.S. Brown) said, you cannot have a healthy body politic if any organ of that body be diseased.

Therefore, we feel that we are making a plea not just for the farmers. We are making a plea for the entire economy. The United States have done that. They have retained and sustained the purchasing power of the American farmer, and while it has cost some money, as I think Mr. Walter Reuther, Vice President of the American Labour Movement pointed out, it has cost the Americans one per cent of the total of the national product. It has cost the Americans less than one per cent of the gross national product to support agricultural prices, and enable the farmers to retain purchasing power, and thereby use up the products of industry. So I am not so much alarmed as some people are about this matter of keeping farm income up by means, if necessary, of deficiency payments or a guaranteed price.

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The argument is, of course, that this may, and probably will, introduce some surplus. I had the privilege just a few weeks ago, when in Rome of going to a meeting of the Food and Agricultural Organization. I sat with some of the Canadian delegates who were attending the conference. Very fortunately, I arrived there the day that Doctor B.R. Sen, the President of the conference, and the delegate from India, was making his presidential address. I was disappointed when I got back to Canada to see that so little publicity had been given to Doctor Sen's presidential address. He made a stirring and eloquent plea for what he called 'A Food for Freedom' campaign. He went back to the plea which had been made by Sir John Orr, later Lord Boyd Orr, in 1947. He pleaded for a world food bank. Mr. Speaker, it will ever cease to amaze me, that that proposal of Sir John Orr was quietly shelved by every one of the leading nations attending that conference, including our own.

Dr. Sen went back and reminded the delegates of Sir John Boyd Orr's proposal, and he presented it in a new form. He pleaded that credits should be set up in a central fund and the credits from the major nations who are anxious to feed the hungry people of the world should be used to buy up the surplus commodities in the United States, and in Canada, and in Australia and in the Argentine, and that money then would be distributed to the needy countries of the world, and sold to them, repayable in their own currency, over a period of years. This would enable these people to feel that they were not getting charity and that they were paying for whatever they got. They would be able to pay for it in their own currency, which currency could be used later by the countries who had put into the fund in the first place. That money could then be used for investment or purchasing the commodities of the countries putting the money in.

I think eventually, whether we do it soon or whether we do it after a world depression, we will have to come to the world food bank suggested by Lord Boyd Orr and to the food for freedom program suggested by Dr. Sen. For I have said many times that the world cannot long be half hungry and half full, it can't continue to have part of the western world with an expanding standard of living and hundreds of millions of people in other parts of the world living at subsistence level. Hunger is today stirring the great masses of Africa and of Asia, yes, and even of South America. One of the reasons that President Eisenhower is in South America today is because of the undercurrent of unrest. There isn't any doubt about it. This is not motivated by poverty and squalor and by a recognition that this economic state in which they find themselves is no longer necessary. I remember talking to the Ambassador for Pakistan some years ago, and he made this very succinct remark. He said; "The people of my country throughout thousands of years have always known poverty. The only difference today is that modern means of communication have taught them that they don't need to live in poverty. That is why," he said, "we have such a dangerous situation".

If people are hungry and miserable and sickly, and they know nothing better, they will put up with it. But when they know and see by movies, radio and all the modern means of communication, that a much higher

standard of living and a better way of life is possible, they are going to expect it, and they are going to demand it. If we are going to save democracy and save all the things we believe in, our country and the other great nations of the world are going to have to be prepared to invest hundreds of millions — yes, hundreds of billions of dollars to take the surplus food that we have and make it available to these needy peoples. If we don't do it, then, Mr. Speaker, in my opinion, we will spend many times the amount on atomic bombs and missiles in trying to defend ourselves, our children, and our children's children, from having to pay the price of our neglect.

Mr. J.W. Gardiner (Melville): — Mr. Speaker, I only enter the debate to say a few words in connection with the resolution that is before us. I would say, however, in my remarks I intend, as does everyone on this side of the House, to vote for the resolution as it has been presented to the House by the member for Touchwood and the member for or Bengough.

However, there have been one or two statements that have been made, particularly by the member for Cumberland (Mr. Berezowsky) and the Premier, which I feel should not go uncorrected. The Leader of the Opposition stated the position which the Premier of this province knows very well has been the position of Liberalism in this country since Confederation. He says that nothing has been done about it. I remember, and I don't want to take the trouble to read it into the records of the House this year, that it was the Liberal party, and there are still some of my friends across the way who go about this province trying to convince the farmers that there are duties on the farm machinery that he buys in the Dominion of Canada, and that there are duties on the things that he has to use in the production of farm products, that took that off the statute books in 1943, as is well known and as I quoted into the records during the session last year.

So I want to indicate again, in regard to free trade, we need only go back to 1911 when a Liberal party was prepared to go down on the principle of free trade, go down to political defeat in this country, rather than sacrifice the principles they believed in, in fighting for free trade for the people of western Canada.

I would also remind the Attorney General (Mr. Walker) of the gentleman who has just lately retired as Governor General of this country, Mr. Vincent Massey, one of the greatest citizens that we have ever had, who in 1926 himself, in the greatest industrial part of Canada, went there and fought his election on free trade, and went down to personal defeat to carry the banner of Liberalism in this country. Yet we have speakers from the other side of the House stating that the Liberal party hasn't carried the banner of free trade in this country.

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I believe the Premier realizes as we realize that no government in Canada, no matter how badly it wants free trade, can create free trade throughout the world. This in a situation that has to be faced by all the nations of the world, and is going to have to be faced in the councils of the nations of the world through the United Nations as we have it established at the present time, it cannot be created by one country. I would comment here, as did the Leader of the Opposition, on the effect of the policies of the United States on the farmers of this country. Just as equally, the policies of most of the countries on the European continent have added to the problems the Government of Canada has had down through the last number of years, in being able to get rid of farm surpluses at prices that would be satisfactory to the farm producers, and particularly those in western Canada. The reason I say this is this: gentlemen on the other side of the House, as well as this, know that all the countries of Europe since the end of the last war (and they did it between the first World War and the Second, as well), knew that they weren't in a secure position, and they felt that in order to provide themselves with some security they had to know if war were to come they would provide the necessary food in order to feed their own people. So we find that in almost every country of Europe, people who might be threatened because of the failure of the nations to live in peace; we find that they are subsidized. Even Britain itself took thousands of acres and put them into production of wheat during the war, and they have continued to subsidize the production of wheat since the end of the war.

The countries of Europe did the same thing. Many of the countries which we depended on for markets for our Canadian wheat. So I believe that we can quite fairly say that the main problem today is an international problem. I hope that we can create the hope of Mr. Pearson, when he was Minister of External Affairs in this country, of a world in which we can all live side by side. I don't think we will have to have the type of socialist control that has been mentioned, in any country of the world, if we are all prepared to live together, if we are all prepared to work together in whatever we can best do, and then prepare to trade together, one with another, that we can produce in an economic fashion in each country of the world. Then I think we will have a true solution to the problem of the people of western Canada, and the problems of the people of the world in general, without the controls that have been suggested; the economic controls which have been suggested by the Premier of this province in this debate.

So, Mr. Speaker, with those few remarks, I want to say that I support very strongly the motion that is before us, because of the one statement that was made by a farmer who came into my office before this Session started. He said the greatest tribute that could ever have been paid to the past Liberal government was just the last couple of days before the final resemblance of Liberal policy was taken out, as far as eggs and hogs were concerned. The farmers tried to sell at least more hogs than they had sold in a long, long time in this province. He said: "I think that is one of the greatest tributes to the policies of the Liberal governments of the past".

Even if they only went back to the Liberal policies of the previous government, there would be an improvement and I hope that we, in the future, if we need these supports, if they are required in future in years, the Liberal governments that I am sure are going to be in office in the future, will be able to provide the benefits and the measures to bring about a result that is asked for in the resolution presented by member for Touchwood and the member for Bengough, to this House this afternoon. Mr. Speaker, I will support the motion.

The question being put, it was agreed to unanimously.

The House recessed at 5:30 o'clock p.m.

The House resumed at 7:30 o'clock p.m.

The debate continued on the proposed motion of Hon. Mr. Bentley seconded by Mr. McDonald:

MOTION RE WORLD REFUGEE YEAR

Hon. T.J. Bentley (Minister of Social Welfare): — Mr. Speaker, when the House rose at 5:30, we had just come to the item on the order paper dealing with Refugees. I mentioned I proposed to make a speech with regard to Refugee Year, and I hope will be Saskatchewan's position in it. I realize that the members on different sides of the House have differences of opinion on the domestic scene, but I am inclined to think there is very little, if any, difference among us in our desire to be of some help to the unfortunate folks in Europe and other countries who have been misplaced.

I would just say that I hope the resolution which I am going to introduce would find unanimity because of the importance of trying to be helpful to the unfortunate people in Europe and other countries. So the statement I am going to make is, I hope, not controversial insofar as we are concerned. World Refugee Year was proclaimed as a result of a resolution adopted by the United Nations General Assembly in December, 1958 to run from July 1st, 1959 to June 30th, 1960. On June 22, 1929, the Hon. Howard Green, Minister of External Affairs, announced in the House of Commons that in addition to giving continued financial assistance for the alleviation of World Refugee problems, the Canadian Government was giving serious consideration to a scheme whereby a limited number of tuberculous refugees and their dependants would be given treatment in our Canadian institutions.

On August 13, 1959, the Prime Minister wrote to our Premier, advising that the Federal Government was considering a plan which would admit about 100 tuberculosis refugees and their families as part of its contribution to World Refugee Year. He stated that while Canada and the Canadian Committee for World Refugee Year were making substantial contributions towards various refugee protests, the core of Canada's special program for the year would be the plan to admit the tuberculosis refugees. He pointed out that the implementation of the plan would require the co-operation on of the provinces who were responsible for the operation of a sanatoria, and asked to what extent this

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province was prepared to participate and help. The Premier wrote to the Prime Minister on September 4, 1959 advising that the Government of Saskatchewan would willingly co-operate in the program for tuberculous refugees and their families, and to make a spare contribution to this humanitarian project.

At that time, because of the many questions that had to be resolved before embarking on such a project, he suggested that the details and extent of Saskatchewan's participation be worked out between the Federal department concerned, and the province's departments of Health and Welfare. Negotiations followed between the Department of Citizenship and Immigration, and the Provincial Departments of Health and Welfare, which resulted in the Government agreeing to accept 10 tuberculous refugees for treatment, together with their families. The arrangements we have with the Federal Government on this project is that the Federal Government would: (1) bring these people to Saskatchewan; (2) support the dependents of the tuberculous members the family until the family became self-supporting or self-sustaining units rather; and would provide any health care required by the non-tuberculous members of the family until they can provide for themselves, and that the provinces would provide treatment for T.B. refugees. In this regard, the province is paying the anti-T.B. League the actual cost of this treatment at the rate of \$12 per day, and the total cost initially estimated at some \$30,000 for this group. The non-tuberculous refugees and their families arrived in Regina from Vienna, Austria, and Bonn, West Germany, January 21, 1960. The tubercular refugees were taken to Fort San that evening, and their families housed in a Regina hotel until suitable housing accommodation could be found for them, which has now been done. Incidentally, it was necessary to place three of these children of two of these families in foster homes in Regina.

At this point I would like to pay tribute to the excellent work done in connection with the project by the Saskatchewan staff of the Department of Citizenship and Immigration, who spared no effort in preparing to receive these people. Also to the enthusiastic, warm-hearted and effective help given, and still being given, by the Committee organized by the Rev. Father Goski of the Arch-Diocese of Regina, to make these families feel welcome and become part of the community. Also to the officials of the Saskatchewan Anti-T.B. League, who so wholeheartedly participated, and are participating in this project. At last, but by no means least, to the officials and staff of my department, and the Department of Public Health, who worked so efficiently and enthusiastically, albeit quietly, to do many things required in a team-work effort to make the initial stages of this project a success.

To date, four of the T.B. people have been discharged from the San. All of the children are attending school, and the adults are receiving all possible assistance from the community toward integration, including adult education classes.

As an additional part of its participation in World Refugee Year, the Federal Government also announced an intensification of its sponsored refugee program. Unfortunately, they did not consult with the Government of Saskatchewan prior to making this announcement. I understand a number of provinces were not consulted on this program, or its implications. The plan announced (and we had no information on this program whatever until the end of December last) that it provides, in effect, that the Government is relaxing its immigration requirements to permit ill and disabled refugees to come to Canada as immigrants, provided they are by provincial and municipal governments, church groups, voluntary or private individuals who undertaken to provide transportation to Canada, living accommodation on arrival, employment, social adjustment, health services where they are required, maintenance and any other requirements by way of health and welfare services, until the immigrant refugees become eligible for those services, either under municipal or provincial law. This province has had an agreement with the Federal Government for some years respecting the sharing of costs of health and welfare services, by immigrants the first year in Canada. This agreement provides that the Federal and Provincial Government will share equally the cost of health and welfare services, provided to indigent immigrants, where the need for these services arise, through sickness or accident during the first year of the residence in Canada. The cost is shared for a period of one year from the time the need arises during the first year. However, the new policy has been developed outside the framework of our existing agreement. We have not been asked by the Federal Government whether or not we will be prepared to go along with this program under the terms of the agreement, which incidentally we are prepared to do. As a matter of fact, I have very recently been told by the Minister of Citizenship and Immigration that the existing agreement does not apply to this program.

In order to clarify this program, the Canadian Welfare Council called a conference in Ottawa on January 28-29 last, in which they invited representatives of federal, provincial and municipal governments, church voluntary agencies, and some private individuals to discuss World Refugee Year, and how it might be possible for Canada to participate to the greatest possible extent. The three main features of the proposed program discussed were: (1) tuberculous refugees, (2) sponsored refugees, (3) adoption of refugee children. The conclusions of this Conference were briefly as follows: (1) The Conference started in World Refugee Year — that the program started in World Refugee Year, which ends on June 30 next, but should continue beyond that date until the problems of refugees have been appreciably resolved. (2) That Canada should take as many more tuberculous refugees and their families, as our treatment and resources will permit. (3) That while voluntary sponsoring organizations and individuals should be and in fact in many cases are willing to provide transportation to Canada, living accommodation, employment and social adjustment, they should not be expected to assume responsibility for health and welfare services which are traditionally the responsibility of government, and that the cost of such services should be a public responsibility immediately upon of the refugees in Canada.

The Conference recommended, in fact, that Canada's provinces would be given an opportunity to share in the public responsibility for this program, in view of the expressed interest of a number of Provincial governments in it. It was agreed, however, that every effort should be made to clear the way quickly for action by private sponsors; in order not to delay matters, it was recommended that the Federal Government take immediate action to arrange for acceptance of public responsibility for health and welfare services, for refugee families, without waiting to complete arrangements with all, or even the majority of the provinces. For a variety of reasons, the current Canadian program has not resulted to date in voluntary agencies or private sponsorship of any refugee families. The main reason for this, which emerged from the Conference, was the fear of the implications to the sponsors of continued financial responsibility for health and welfare services, until the immigrant refugees became eligible for services provided by municipalities or provinces.

The Conference also suggested that, while the major emphasis on World Refugee Year is on the clearance of refugee camps in Europe, there are many refugees not living in the camps, and because of the evident and in fact enthusiasm of Canadians to contribute to the amelioration of this situation, the Federal Government should extend the program for private sponsorship to include European refugee families who are not in camps, and to include refugee families from other parts of the world.

The fourth item that the Conference dealt with was the matter of the legal adoption of refugee children, and that they should receive serious study by the Canadian Welfare Council. In this connection, it was pointed out at the Conference by one of our legal representatives, we in Canada might give more effective help in helping to solve a problem of the thousands of abandoned and orphaned children in various countries the world by providing financial and technical assistance, rather than by opening the doors for legal adoption of small numbers of these children. Among other things, it was pointed out that the complications of arranging for adoption of Oriental children far outweigh the value of a very limited program of this nature.

The people who are intimately concerned in this, Mr. Speaker, are hoping that all others will express equal concern in the welfare and the future of the unfortunate folks that are dealt with in the paper I just read to the House. Because of that, I am moving, seconded by Mr. McDonald:

"That this Assembly., in view of these premises:

(1) endorses World Refugee Year;

(2) recommends that the Federal Government extend the program for private sponsorship of refugee families beyond the end of World Refugee Year; and

(3) urges the Federal Government to vigorously promote the entry of sponsored immigrant refugees to Canada, with cost-sharing arrangements to be on the same terms and under the same conditions as presently exist in respect to non-sponsored immigrants under the 1953 Agreement."

Mr. A.H. McDonald (Leader of Opposition): — Mr. Speaker, I wish to say that this is a distinct honour and privilege extended to me by the Minister of Social Welfare, when he asked if I would second this resolution. This is one of the occasions when one could talk at great lengths as to the worthiness of this program, and the worthiness of the people concerned, but I do not believe that would add very much to solving the problem, or the comfort of the people concerned. Therefore, in seconding the resolution, my remarks will be very brief.

World Refugee Year to me, Mr. Speaker, and I am sure to all of us, is a misnomer. Surely we should have a continuing World Refugee Year until such time as this problem can be solved. It is now some 15 years since the end of hostilities of the last World War, and a good number of these people have been without home or country for that 15 years. I happen to be one of those who served with some people whose families were, and I presume some of them still are in some of the camps scattered throughout Europe and Asia. Surely it is not good enough for us to celebrate Brotherhood Week, and to talk about discrimination of race, creed and religion as long as this problem exists. These people are freedom-loving people. Most of them unfortunately were forced from their homes because they did not choose to live under the types of governments that happened to be in power in some parts of the world. They are people who actually have no home to go to. They are, I believe, a responsibility of the free people of the world, and that we may, in this country, boast of the high standard of living that we enjoy; boast of the freedoms that we have. But I believe we owe it to people such as this, to extend this high standard of living, and the freedoms that we enjoy to people of this kind. I cannot think, for the life of me, how individuals could take on the responsibility involved in bringing refugee people or families to our country, and to be responsible for them for all the expenditures entailed until such time as they have been in our country long enough to come under these services that are provided by our governments of different levels.

I am pleased the province of Saskatchewan is making the offer they are, in this resolution. I hope that governments throughout Canada will endeavour to take part in this refugee problem, not ending in June next, but stay with this job until it can be completed, so that these camps can be closed. Probably a lot of us have had the opportunity recently of viewing one or two programs on television, dealing with refugee camps, and I cannot help but think that anyone who has had the opportunity of viewing any of these conditions under which these people live in these camps, must be uneasy with themselves, knowing that people are living under these conditions, and knowing that we are in a position to do something about it.

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I just want to say, Mr. Speaker, I deem it a distinct pleasure an honour to have had this opportunity of seconding the resolution, and I hope that we in Saskatchewan, and the rest of Canada, will take our fair share and make every effort to clean this problem up completely, and not abandon it in June, 1960. Let's stay with the problem until we have completed the job. These people are entitled to our help, and surely we ought to be generous enough to give it to them.

The question being put on the motion, it was agreed to unanimously.

SECOND READINGS

Bill No. 16 — An Act to amend The Automobile Accident Insurance Act.

Hon. C.M. Fines (Provincial Treasurer): — Mr. Speaker. the Act is one which is still to provide greater benefits for the people of the province, under this Act. As you know, we have had this Act in effect now for a good many years. From year to year we have improved the benefits under it. A year ago I had the pleasure of announcing that we would remove the \$200 deductible on property damage. At that time I forecast this would cost an additional \$1 million. We now estimate this will cost approximately \$1,200,000. There were more vehicles on the highways this past year and, of course, each year we get more new cars, with the result that we get higher premiums for those than for the old ones. So the premiums contributed last year went up by some \$800,000. The result of the operation for the year was that there was a surplus in the amount of \$364,000 in the fund. That brings the total surplus on hand in the province up to \$4,708,000, which of course is retained by the Insurance office in a separate fund for the use of the victim of accidents in automobiles.

This year we propose to broaden the benefits still further. In the past, under Part 2, we have made provision as a very lengthy list of dismemberment benefits — so much for the arm taken off at the shoulder, taken off at the elbow, the wrist, finger, and so on. But what has happened very frequently, we have found in actual administration is that someone has an accident to their arm, so that their arm is just hanging there, have no use of it; it might as well come off, but, well, as long as you can keep it, I suppose you might as well keep it. The same is true of the leg. In many cases where the person has lost the use of the leg, about all the good it is, it might as well come off, but in fact the only way today the person could get a benefit is to have it taken off. We feel that we should make provision for the loss of the use of the limbs or other parts of the body, instead of having complete dismemberment.

This is going to be a fairly costly item. I might as well warn the House right now of it. The estimate of our officials, having gone into all the files over the past few years, where they have had cases of this kind, they

estimate it will cost approximately \$250,000 each year. However, we feel that this is only reasonable. Of course, there is provision also for the benefits where the person has only partially lost the use of the limb totally or partially. It will be, as I say, a very important benefit to those who are injured.

Then we have had what we call the Supplementary Allowance for a good many years. For some time it was \$250, then we raised it to \$500, then to \$750, and then we raised it to \$1,000. This is usually used for medical expenses. Now we have a few cases where the \$1,000 does not cover. There are very few cases in a year, and we feel it would be advisable to increase this so we are proposing this year a limit of \$2,000. We are doubling the amount. That doesn't mean we are going to double the amount of money paid out on this. Actually, this isn't going to be a costly thing; we don't think it will cost more than \$15,000 or \$20,000, but it will give the benefit to those who are in the greatest need — that is, those who have a long period of suffering as a result of an accident. So a supplementary allowance in the future, if this amendment is passed, will be \$2,000 instead of \$1,000. The other benefit is only to help those few people who are killed each year as a result of automobile accidents. At present the funeral expense allowance is \$200. We feel we should put it up to where it is on Workmen's Compensation, \$250, so we propose to increase the benefit to \$250 instead of the \$200.

Mr. Speaker, those are the principal amendments that are proposed to the Act. We feel that we can do this without having to increase the rates. As I indicated, we had a surplus of some \$365,000 during this past year. We are making provision here for probably \$275,000 in additional benefits. So if the motorist will drive carefully, and not have any more costly accidents than they had in 1959-1960, then the fund will be able to stand this, and we will continue to build up our surplus in the future. I feel confident these changes will assist many people that need the help, and certainly it will not do anything to jeopardize the funds in any way. I move second reading of this Bill.

Mrs. M.J. Batten (Humboldt): — Mr. Speaker, it always seems petty, after hearing, the great benefits of the hon. Provincial Treasurer when he stated he confers on people by these Acts, to worry about little details that do affect the principle of the Act. Perhaps I should apologize to you for bringing up the subject. I certainly agree with the hon. Provincial Treasurer that if anything can be done to aid those people, to increase the benefits which they receive under the Act, after they have been injured — everyone in this House is in favour of increased benefits. However, there is a change in this Act. There is a provision under Section 2, subsection (8), whereby the insurer — that is, the Saskatchewan Government Insurance office, if there is a disagreement about the amount of disability that is suffered by the insured or the person who is injured, in that case the Saskatchewan Government Insurance can insist (which, of course, I agree with) it should have the right of insisting that this person appear before a duly qualified medical examiner, but now we come to the point where I most heartily disagree in principle. The Act further provides that after this examination is made by

the practitioner appointed by the insurer, the opinion of that medical practitioner with respect to the existence of any of the disabilities, the nature and extent thereof, shall be conclusive. Mr. Speaker, I can see little justification for any insurance company, whether it is the Government Insurance, or any other kind, in having a clause of that nature in a policy or in the Act governing the insurance. All the more so where the insurance is as it is in this case.

Surely when people pay insurance, no matter how they pay for it, they should be entitled in a case where there is a disagreement between them and the Insurance Company, to have the court adjudge and decide whether the disability is as severe as they claim, or as significant as the Insurance Company may claim. This, I think, is a most destructive type of section. I certainly do not think this Act has been misused. The hon. Provincial Treasurer has said on many occasions that they have had very few lawsuits; few people have felt they could apply to the Courts in a dispute with the Saskatchewan Government Insurance. Therefore, that is all the more reason because this Government Insurance is compulsory, because there appears to be a sufficiently large fund and surplus, that people should have the right to appeal against a decision of the Company, when the company has allocated the amount of injury, or the extent of the injury.

If this seems to be a minor thing compared to the extent of the benefits that one gets from insurance, at the same time, I think it is a vital thing. I think it is important that people should have the right to have the testimony of any medical men they may call, as well as their own evidence, rather than the "conclusive" decision of the doctor hired by the Insurance Company, when their claims are being adjudged.

Mr. L.P. Coderre (Gravelbourg): — Mr. Speaker, I wish to say a few words on that as well. I haven't got the legal approach that my hon. friend from Humboldt (Mrs. Batten) has, but I find that in Section 20 you will notice if a person dies after 104 weeks instead of 120, they seem to cut down on the time in the event of death clause, and that, coupled with what the hon. member for Humboldt mentioned — I don't like the looks of it. It is a wonderful picture insofar as how it will assist in the question of partial disability; it has a scale in proportion to the disabilities, but then the person who is disabled seems to have no recourse. The suggestion that I might make is that the Bill could perhaps be held back possibly for the moment, and some changes made, and then it might be more acceptable generally. Some of the suggestions I could probably make would be that instead of having one doctor to make a final decision, it could be made to the mutual agreement of the disabled person.

Mr. Speaker: — Order! I think the hon. gentleman is now approaching the matter as it should be dealt with in Committee. I think the question which the hon. member for Humboldt has raised, and part of what the hon. gentleman said, certainly concerns the principle of the Bill, but when we get down to matters which should be dealt with in Committee,

that is where they should be dealt with.

Mr. Coderre: — I believe, Mr. Speaker, I have dealt with the principles, generally, but you have to deal with some aspects of it in order to bring out what the principles are. As far as I am concerned, my decision and my arguments at the moment may be with some specific questions, but still based on the principle of it. It is not a fair way of dealing with it, that is all. I believe it is principle, Mr. Speaker.

Hon. Mr. Fines: — (closing) Mr. Speaker, I haven't mentioned either of these two points. I consider them very minor details, and certainly if I can be convinced that this is going to work any hardship on anyone, I would be glad to change it. First of all, I would like to say that it is leading the House astray to suggest that we are reducing from 120 to 104 weeks the period for which we intend to pay the out of work benefits. That is not the case at all. It is still being left exactly the same. It is simply the 104 weeks appears in the new subsection, instead of the 120 weeks, and that is to bring it into line with what we have in the other section. This is the section which makes provision for a person who is disabled or dies during the period he has been suffering the total disability within this period of 104 weeks.

The other question which has been raised by the hon. member for Humboldt, the subsection (8), I think it is time we set out some procedure where there is a disagreement. Frankly, I have a great deal more confidence in the medical profession than she has. I feel that when you hire specialists that you have got to have some confidence and some faith in them. At the present time, where there is an uncertainty as to the findings of the claimant's own position, or where his findings do not correspond with the information that the insurer has, then all they ask for is the right to select a person to whom this person would submit themselves, for examination. Of course, the Insurance Office will pay the examining physician, and I believe the if appointment of an examiner is left to negotiations between the insured and the claimant, then the matter will become protracted, and there is no guarantee at all that the examiner ultimately chosen will be the one whose training and experience best suits him for this particular type of examination.

Again, since the insurer is paid for the examinations it seem only proper that the insurer should choose the particular examiner, and of course it is in the insurer's interest to appoint an examiner who has a special training and the experience to suit him for the particular type of examination. I think, Mr. Speaker, insofar as the safeguards of the claimant's interests are concerned, there comes a time when one must rely upon the integrity of professional men, and this is one of those cases. He is an independent practitioner. He is not a practitioner that is working for the insurance office, and he cannot be described as someone who is subject to direction from the insurance office. As I say, Mr. Speaker, I have a great deal more confidence in the medical practitioners of this province evidently than my hon. friend has.

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Mrs. Batten: — Mr. Speaker. on a point of privilege. I didn't express any disapproval or lack of confidence in the medical practitioners.

Mr. Speaker: — Order! The Minister did not say that.

Opposition Members: — Oh, yes, he did!

Hon. Mr. Fines: — Mr. Speaker, there are other minor points — I have only dealt with the matters which I consider are matters of principle. The other matters, I think, can be discussed in Committee, and as my hon. friend knows, I am always ready to receive suggestions to improve the Bill, and would not hesitate at all . . .

I move second reading of Bill No. 16.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 17 — An Act to amend The Vehicles Act, 1957.

Hon. Mr. Fines: — Mr. Speaker, I am not going to attempt to outline any of the amendments on this. They are all, I consider, of minor detail and best be discussed in Committee. I therefore move second reading.

The question being put, it was agreed to unanimously and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 18 — An Act to amend The Liquor Licensing Act, 1959.

Hon. Mr. Fines: — Mr. Speaker, this is an amendment to the Bill, or Act which was passed at the last Session of the House. We found a few things in it; some were raised during the last session. My hon. friend from Cannington (Mr. McCarthy) for instance made one suggestion which we have included here, and that is to eliminate the need for a vote in provincial and national parks, and in the far north country. Also to eliminate certain restrictions which should apply to the R.C.M.P., or the military places. It is also to permit the issuing of licenses on a seasonable basis to resorts, and to provide for licenses to be granted, or made possible to be granted, to military units where the enlisted personnel . . .

Those are the principal changes, in principle there are other minor things which we can discuss, I think, fully in Committee. I would therefore move second reading of Bill No. 18.

Mr. McCarthy (Cannington): — Do I understand the hon. Minister to say you were not going to issue seasonal licenses?

Hon. Mr. Fines: — No, we will make it possible to do that.

Mr. McCarthy: — I see. I misunderstood you.

The question being put, it was agreed unanimously, and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 14 — An Act to amend The Highways and Transportation Act.

Hon. J.T. Douglas (Minister of Highways): — Mr. Speaker, I wish to move second reading of Bill No. 14, and I might say there are only two new sections to these amendments. One deals with the control or current use of right-of-way as garbage disposal grounds, which has amounted to considerable expense and unsightly conditions, and we are having a clause inserted giving us power to control that abuse.

The other night — I might point out the Act presently does not give us any control over lighting devices on the highway, and we have a number of cases where we have found them to be a nuisance and a hazard, so that we are inserting one paragraph to give us control over lighting devices within a quarter of a mile of the highway. Those are the only two new sections. The others are minor amendments which I think would be better discussed in Committee. I would therefore move second reading, Mr. Speaker.

Mrs. Batten: — May I ask the hon. Minister a question? You have changed the amount that you are allowed to have on hand, or that the Provincial Treasurer is allowed to allow you. Is there any particular reason for this increase?

Hon. Mr. Douglas: — Yes, there is a reason for that. The equipment must be changed periodically. Our operations are extending, and this is a fund which we use to purchase supplies for general operations, such as construction bridge materials for our own use, and for the municipal grid authorities, so there is a need for extra surplus money. We will not need all of this at the present time, but by putting this amount in now, it means that we will not have to come back here every year and have an increase, put through.

Mr. Nicholson (Nipawin): — I would like to ask one general question of the hon. Minister of Highways, and it is with reference to these signs you see across the line, 'Don't be a litter-bug', or \$50 fine, or something . . .

Mr. Speaker: — Order! I think the hon. members are doing Committee work now. The Bill is up for second reading.

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Mr. McFarlane (Qu'Appelle Wolseley): — Mr. Speaker, I would like to ask the hon. Minister if Section 64 (b) is new, or would the Minister permit that question? Is that a new section being read into this Act? Has that been there before? If that is a new section, Mr. Speaker, I want to draw the attention of this House to the principle involved in this section, which I don't think has been taken care of, and with your permission I would like to document my remarks.

Mr. Speaker: — Order! This motion is not yet before the House. I confided with my . . .

The question being put, it was agreed to.

Mr. McFarlane: — Mr. Speaker, as I mentioned, I believe there are some things in this Bill which are lacking. There is part of a principle in this Bill which I would like to bring to the attention of this House, and with your permission I would like to document this with some correspondence which deals exactly with this Section 64 (b). I want to go back to a case which happened this summer in a section of a highway in this province which I am very familiar with, and I think the Minister would have correspondence in this regard, too. I would like to, by presenting this case, have the permission to read this correspondence as it was written, because if I don't, then I think the point would be missed that I want to cross-refer, as I go through this section.

Mr. Speaker: — If the hon. member will inform the House as to the writer, we be prepared to allow him to read it.

Mr. McFarlane: — Yes, I will be quite prepared to do that, anytime anyone wishes to ask a question. This involves a certain individual and of the Minister of Highways and his Department, and I will be quite glad to give any names of anyone concerned in this respect. This is dated,

"Windthorst, Sask.,
September 26, 1969.

"Hon. J.T. Douglas;

Dear Sir:

I am writing to you in regard to an accident I met with on your highway east of Glenavon on No. 16 highway, due to the maintenance leaving a huge rock on the right-hand side of the road, and there also a large pile of gravel on the middle of the road which caused considerable damage to my car, amounting to \$245, and there is still a band in the frame, gas tank, big bumps in it; also needs a wheel alignment job. Now, this rock I hit was lying in the middle of the road. As I came around a curve about one mile east of Glenavon, and I did

not see it until I was about 80 feet from it, and the huge pile of gravel made it impossible to miss it.

(Here is the important point):

"I had four men riding with me when this accident occurred, going up to Deveron to unload gravel on the C.P.R. I also notified the R.C.M.P. at Kipling, and they agreed that your maintenance was at fault, and I shouldn't have to pay any of these costs.

Mr. Douglas received the letter, and thanked the gentleman for it, and goes on to say:

". . . I shall be pleased to forward your letter to the Claimants Branch of the Department of Highways. Further circumstances will be investigated to determine responsibility, and you will be advised accordingly as soon as this investigation has been completed.

This is a letter to the gentleman at Windthorst by the Department of Highways and Transportation, signed by Mr. K.E. Beasley:

"Your letter requesting compensation to cover damages incurred on No. 16 highway have been referred to this office for investigation and reply. I would like to suggest that you contact the construction firm of Hirsch Brothers, Middle Lake, Sask.

That was on October 9, 1959, and I wish to point out this gentleman in the Department says to contact the construction firm at Middle Lake. They go on to say:

"The section of highway on which the accident occurred is under contract with the above-named highway construction contractor, and any claims where accidents occurring on sections of highways being constructed by private contractors should be made directly to the contractor concerned.

"Section 19 of the contract entered into between the Department and private contractors reads in part as follows:

'A contractor shall at all times, until the work is completed and accepted by the Minister, take all necessary and sufficient precautions

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and steps to prevent and avoid accidents to workmen or other persons, or to other work or other property, and he shall provide at his own expense such fences, barriers, signs, lights, etc., as may be necessary.

"In the event of injury or damage being suffered by any workman or other person having a right of action therefore against the contractor or the Minister, the contractor shall and will indemnify and save harmless — the Minister from all actions . . .

That is part of the Act, and it ends up:

"This is believed to clearly state the liability of the Department in this matter, and you are therefore advised to submit your claim to the contractor named above.

I want to point, out, Mr. Speaker, that Hirsch Brothers did not have the contract for that section of highway, and the only contract this firm had was a gravel contract. I want to point out here that the new portion of highway that was being built didn't follow this old highway at all. I think that will clarify this whole thing all the way through.

Now we go on, and this is the gentleman's letter again . . .

Mr. Speaker: — Is this letter related to the matter at hand?

Mr. McFarlane: — It will at the end. I said when I started out that it ties itself into this last paragraph, and that is the most important thing. It is your last Department's answer that qualifies this whole correspondence.

Mr. Speaker: — It is the principle responsibility that the hon. member is about to read?

Mr. McFarlane: — That is right. I think you will realize that when I come to it. This is dated October 21, 1959, the second letter:

"To date, Mr. Douglas, investigating in respect to this accident I met on No. 16 highway east of Glenavon does not seem to be progressing very fast, and I have referred to Hirsch Bros., Middle Lake., Sask., as this road is under construction. Mr. Douglas, I beg to differ with this, that this portion of No, 16 highway is not under construction, and furthermore, if this claim is not settled very shortly, I am taking legal action and also have a

lawyer to take it up.

"In this portion of No. 16 highway where this accident occurred, a sign said: 'Cummings Bros.' — Thank you; resume speed' on the sign. Furthermore, I have the rock that was on the highway, and also have four more witnesses to prove it, and the R.C.M.P. too. Not only that, some of your insurance men came to the garage here at Windthorst and took away all the parts that were damaged on this car. Why did they do that, if they do not intend to settle for it? The best thing he can do is to return these parts, or else settle this claim without further delay.

Then we have Mr. Douglas' correspondence here, thanking him once again, referring him to his Department. This is signed again by Mr. Beasley, another written to the gentleman concerned, November 10, 1959:

"In accordance with the instructions given by the Minister of Highways in his letter of October 26, the field representative who interviewed you has submitted a report to this office. Since this report requires an explanation from our maintenance employees, working on a section of the road where this accident occurred, I am forwarding both your letters plus this report to them for their comment. When this additional information is received, I will, again be writing you to state the intentions of the Department in this matter.

"I trust you will accept my apology for the incorrect information I gave you in my letter of October 9th. A gravelling contract had been awarded to the contractor I mentioned which would have made him responsible if he had been working. Unfortunately, I was not aware that work had not started on that project, at the time of your accident.

This is the gentleman's third letter, dated December 7, 1959:

"In regard to your letter saying you would investigate the accident I had met with, my car on No. 16 highway east of Glenavon, to date there has been very little done about it. There were a couple of engineers who came in to see me, and one of your smart government insurance representatives, and what they would do and wouldn't do, so I think it is about time you settled this claim without any further excuses, as I am handing it over to a lawyer in Regina, as I am not monkeying around

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any longer. I am tired of your representative coming around saying what they would do and wouldn't do, and taking their abuse.

"This accident occurred on September 9, 1959, and to date is not settled. If it took me as long to make up my mind as this to pass the buck, like you fellows do, when it comes for me to get my license, well, get it, or else you don't drive your car, and I think it is about time it was settled after three months.

Hon. Mr. Fines: — Mr. Speaker, would the hon. member mention the name of the lawyer to whom the case was going to be handed over.

Mr. McFarlane: — It was Mr. Forbes.

This is Mr. Douglas' correspondence again, thanking him for his letter, dated December 11th, and this is the report I want to draw to the attention of the House. It is signed by . . .

Mr. A.L.S. Brown (Bengough): — Mr. Speaker, on a point of order. I don't like to interrupt my hon. friend, but I certainly cannot associate any of this part so far with the principles incorporated in Bill No. 14.

Mr. McFarlane: — I pointed out when I started out that I would show how it is tied in, and it is the page I am coming to now. It will just take a couple more minutes.

Mr. Speaker: — I think it is a pity the hon. gentleman has to read so much of the correspondence . . .

Mr. McFarlane: — Yes, but there are members in this House that don't know all that is involved in this, and I wanted to keep them briefed on it. This is the one letter, as I said, signed by Mr. K.W. Beasley, written December 11th, 1959:

"Your accident which occurred on No. 16 highway has now been thoroughly investigated, and I am sorry to have to advise you that the Department of Highways and Transportation denies all responsibility for this accident, and therefore refuses your claim. The Department in no way denies that there was a rock on the road, and that you struck that rock. We will, however, definitely not accept your claim that the rock was left on the road by our maintenance employees.

"For your further information, Section 61 (a), subsection (6) of the Highways and Transportation Act reads as follows:

"The presence on the roadway of any object or thing which has fallen from a vehicle, or has been placed upon the roadway by any person or animal, shall not be imputable to any fault in the maintenance or repair of the roadway, except in the case of fault or negligence on the part of the employees, the Minister charged with the maintenance of the roadway.

"You, Mr. McKeown, are as probably aware as we are that many people other than department staff haul gravel and rocks on the roads, which incidentally you were doing at the time of the accident.

All the man was doing at the time of the accident was driving his car with four employees, going to the town of Deveron, to unload gravel at the C.P.R. tracks, and that is what they said he was doing at the time of the accident.

"It is therefore not unreasonable to expect that occasionally a rock may drop off the back of a truck . . .

Hon. Mr. J.T. Douglas: — On a point of order, Mr. Speaker . . .

Mr. Speaker: — Order! Order! The section that the hon. gentleman has referred the House to deals with the responsibility for dropping stones, and so forth, on the highway, and I do believe that a great deal of what the hon. gentleman has read is quite unnecessary to explain the principle of the responsibility of this accident on the highway.

Mr. McFarlane: — But it ties in right here. I will just finish this:

"It is therefore not unreasonable to expect that occasionally a rock may drop off the back of a truck or a wagon and may be left on the road. Our investigation has, in fact, disclosed that a farmer living in that area was actually hauling rock on the morning the accident occurred . . .

Mr. Speaker: — Order! The hon. gentleman is dealing with a specific accident — not with the principle of the responsibility for the accident on the highway.

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Hon. Mr. Fines: — We can't decide here who threw the rock on the road.

Mr. McFarlane: — What I wanted to establish there is that it wasn't the fellow they accused of putting the rock on the road, because they said he was . . .

Mr. Speaker: — Order! Will the hon. gentleman state what he finds fault with in the principle of this Bill without saying . . .

Mr. McFarlane: — Yes, I will state that, in view of this correspondence, Mr. Minister, I don't believe there has been any protection placed on a motorist in this province through this section, when you compare the case of the gentleman I just mentioned, but a case may arise in the future. What protection have you got in this new bill for a motorist, if he were to hit a rock placed on this highway by one of your maintenance staff? Is the driver of the patrol going to be liable for a fine of \$25 and costs, and 30 days in jail? I think the motoring public have as much right to have protection from a rock or any other object placed on the highway by the Department of Highways, as there was placed on there by an individual. That is why, Mr. Speaker, I was referring to the unfortunate position of this gentleman in regard to a case similar to this. Had I been allowed to, I would have gone on to show where the Department of Highways said as far as they were concerned, the file was closed and they did not intend to deal with this file any more.

Hon. Mr. Brockelbank: — You said he would go and see a lawyer.

Mr. McFarlane: — The gentleman concerned is not in a financial position to go and see a lawyer. He went and saw a lawyer, as I pointed out, and the lawyer stated the sum of money it would take to present the case, and now he . . .

Mr. Speaker: — Order! It is my duty to inform the House the hon. Minister is about to close the debate.

Hon. J.T. Douglas (Minister of Highways): — (Closing) I just want to point out, Mr. Speaker, that we do accept responsibility for any damage caused to motorists due to the of fault of our employees.

The question being put, it was agreed to, and the Bill referred a Committee of the Whole at the next sitting.

Bill No. 19 — An Act to amend The Homesteads Act.

Hon. Mr. Walker (Attorney General): — Mr. Speaker, this is an amendment to The Homesteads Act, and it is to exempt the purchase of lands for the widening of highways and roads from the provisions of The Homesteads Act. Other utilities such as the Power Corporation, the railways and other public services have the right to make an agreement for the widening of roads, or for a strip of land for the erection of new roads, without having to comply with The Homesteads Act. The rural municipalities are doing a good deal of widening of roads for their grid road program, and they wish to have the same privilege, and this legislation proposes to give this. I move second reading of this Bill.

Mrs. Mary J. Batten: — I have a question to ask, Mr. Speaker. Does that apply to municipal roads? From the reading of it, I would think it only applies to the public highway; that is the provincial highway.

Hon. Mr. Walker: — If I may answer the question, Mr. Speaker, a public highway under The Highways and Transportation Act includes any road, street, lane vested in the Crown. This includes all city streets, lanes and municipal roads, and provincial highways, too. But the matter was raised by the municipalities. They are having this problem.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 20 — An Act to amend The Municipal Hail Insurance Act.

Hon. Mr. Walker: — Mr. Speaker, you will remember last year an amendment to The Municipal Hail Insurance Act was made by this House. Perhaps the members will recall that I explained at that time that the Hail Insurance Association is a sort of quasi-public company and they are governed by annual conventions. When they wish to make changes in their scheme of insurance, the Legislature invariably accommodates them, unless they fear it is something that is contrary to the public interest. I don't know that anything like that has ever arisen. Last year you will recall that at their request we deleted the extra coverage and increased the basic amount from \$5 to \$8. They have now come back and say they want to reduce the basic coverage from \$8 to \$6, and provide a supplementary coverage of \$4. I should say they are not asking for a flat \$6; they are asking for a maximum of \$6, which means they could in any year declare the basic coverage to be \$5, \$4, or \$6, then for a maximum of \$4 in the additional, which means they could have \$5 and \$3, which is what they used to have; as a matter of fact, or they could have \$5 and \$4, or \$6 and \$3, or \$6 and \$2, or any combination, so long as the basic is not exceeded, and the only amendments

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that are really proposed in this Act are to accomplish this change. That s the only principle involved in the Bill, and I therefore move the Bill be read a second time.

The question being put, it was agreed to and the Bill referred Committee of the Whole at the next sitting.

Bill No. 21 — An Act to amend The Exemptions Act.

Hon. Mr. Walker: — Mr. Speaker, among the things which are exempt from execution under The Exemptions Act, are the execution debtors' home, his clothing, and certain amounts of furniture, and so on. It is proposed not to add 'house trailer' to those exemptions, and this Bill is designed to provide that a house trailer shall also be exempt.

With this explanation, Mr. Speaker, I move second reading.

The question being put, it was agreed to and the Bill referred to a Committee of the Whole at next sitting.

Bill No. 22 — An Act to amend The Coroners Act

Hon. Mr. Walker: — Mr. Speaker, this is designed to provide certain changes in the Coroners Act. First of all, it eliminates the necessity for a Coroners' inquest in those cases where someone already been charged, or charges have already been laid, as a result of death of the victim. This saves the unnecessary expense of the coroner's inquest, where the cause of death is already known, and where charges have laid. It also relieves the person who is charged with the necessity of having to go through one additional judicial proceeding. It is, however, provided that an inquest may be held notwithstanding that charges have been laid on the direction of the Attorney General. I may say that similar legislation exists in Ontario and British Columbia and Alberta.

With these comments, I move second reading of Bill No. 22.

The question being put, it was agreed to and the Bill referred a Committee of the Whole at next sitting.

Bill No. 23 — An Act to Amend The Infants Act

Hon. Mr. Walker: — Mr. Speaker, the present section 38A and 38B of The Infants Act provides that certain funds may be paid over to the official guardian with the consent of the infant, if he is over the age of 14 years, and with the consent of his parents, if they are living. This section has been rather troublesome. Some of the judges have held that the trustee is not entitled to pay the money over to the official guardian unless the infant is 14 years of age, and unless he and his parents consent.

In other words, the intent of the thing has not really been accomplished by putting in the requirements for the infant. I may say that when the judges first asked for this in 1953, it was felt that we could add these words 'with the consent of the infant if he is the full age of 14 years and of his parents if living'. These words were added to the draft which was proposed by the judges at that time. Now we feel that the words are defeating the intention of the legislation, and we therefore propose to drop those words which were added to the draft, dropping them both in respect to ordinary estates, and also with respect to life insurance estates.

I move second reading of Bill No. 23.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 24 — An Act to amend The Dependants' Relief Act

Hon. Mr. Walker: — Mr. Speaker, this Act provides that certain dependants may make an application to a Queen's Bench Judge in Chambers to set aside the terms of a will where, in the opinion of the judge, some dependant has not been adequately provided for. The dependant under the Act as it presently stands, means the wife or husband of a testator, or an intestate person, a child of a testator or an intestate under the age of 21 years, or a child of a testator or an intestate over the age of 21 years, who alleges, or on whose behalf it is alleged that by reason of mental or physical disability, is unable to earn a livelihood. It is proposed to add the following: 'or that by reason of need or other circumstances he ought to receive a greater share of the estate of the testator or intestate, than he is entitled to without an order under this Act'. In other words, it does not restrict the right to apply among children who are under 21 or children who are unable, by reason of mental or physical disability, to earn a livelihood. It now includes any child, whether under or over the age of 21, who by reason of need or other circumstances, ought, in the opinion of the Court, to receive a greater share of the estate than he was awarded in the will. This, of course, leaves the matter still at the discretion of the judge, but gives the judge a wider jurisdiction than he had before.

I therefore move the second reading of Bill No. 24.

Mrs. Batten: — Mr. Speaker, I very seriously object to the principle of this addition of this amendment. As the hon. Attorney General explained, this is a case where, whether the deceased leaves a will nor not, if the wife feels that she is not getting enough, if she feels, and course, it is held this means that she is not going to be able to live in the manner in which she lived prior to the death of the deceased, if this type of thing is allowed, by the Act, as it has been, it merely provides that she is not treated unjustly because the deceased either fails to make provision for her, or made provision against her rightful interest. The same applies to a

dependant child, whether that child is dependant because it is under the age of 21, or whether it is dependant because of some physical or mental reasons, that child is unable to earn a living. This, of course, assists the state, because those people do not become dependant on the state, and it provides a type of justice. At the same time, it very seriously infringes upon the right of the individual to dispose of the property as he sees fit. Now, with this addition where any child, even though that child is in no way actually in reality dependant, it becomes legally dependant through the addition of this amendment, 'by reason of need or other circumstance, he ought to receive a greater share of the estate that he is entitled to otherwise', which means to say that if the oldest child who might be 40 or 50 years of age has gotten rid of his property through ill-advised speculation or any other reason, he can come in and say the other children are wealthy, and therefore he should receive a greater share of the estate, or the widow who is left is receiving too much, and he needs it more than she does. I do not think this is consistent with the type of intestate law that has been evolved through the century, and I think it is a very great violation of the right that you and I have to dispose of our property as we see fit, as long as we don't do so unjustly.

There is provision if a father makes some sort of arrangement with a son that he should take over his property, that son has the right to come into court as the law stands at the present and sue on that agreement. It doesn't look after a case of that kind at all. I submit that this addition is going to not only infringe on the very basic rights, because I maintain that even in Saskatchewan with the C.C.F. Government, we still have the right (to a degree) to dispose of our property as we see fit, to deal with it as we see fit during our lifetime, and to dispose of it after our death, providing we do not take away the right that our dependants have to look upon us for support. This is a further extension that I can see no justification for, and it is no justification to say that it leaves it in the hands of the Court, because the Court has absolutely nothing on which to go. This section gives them an absolutely free hand in determining whether this statement should be made. It says here that 'the Court shall act upon its own view, having regard to all the facts and circumstances' which is putting it right directly into the hands of the court, and forcing the court to do something that the deceased, the testator himself should have had the right to do the first place. Secondly, aside from the injustice and infringement on very basic rights, there is the fact that this is going to make it such an indefinite situation — so subject to litigation that it is going to be very difficult to advise anyone when they come in to draw up a will.

Now when somebody comes in and asks the lawyer for directions in drawing a will, you can explain what rights they have to look over; they have to provide for their wife, they have to provide for their dependant children, and they can do as they like with the rest of their property.

Under this type of law you couldn't give them any accurate advice and no matter what provision they made in their will, any other child or independent child who hasn't received any assistance from them, and is fully capable of looking after himself, can come in and attack that will. I think, Mr. Speaker, that would be a most unsatisfactory state of affairs. I can see no justification for this amendment, and I certainly oppose the principle of it.

Mr. Speaker: — It is my duty to inform the Assembly the hon. Attorney General is about to adjourn the debate.

Hon. Mr. Walker: — (Closing) Mr. Speaker, the powers that are given the judge under this new provision are no wider nor more sweeping than the powers now given to the judge with respect to a wife that is under 21, or over 21, but incapacitated. The powers are exactly the same. I just adds one group that the judge may act for the benefit of. As a matter of fact, most lawyers complain they often have a case where a man has made his will, and his wife also, at the age of 55 or 60, even 70, leaving their estate to their children in equal shares; leaving their property on the death of the survivor of them to their children in equal shares. Then they become senile and incapacitated, live for another 10 or 15 years, and the child, perhaps a daughter, stays home and attends to them, but at this state they are no longer able to change their will and make recompense to her for the special services she is providing them during their declining years. It just means that there she is, treated on equal terms with the others. It is true that she can put in a claim for wages on her merits; she can recover some small amount if she can show that she was asked to stay and show that she stayed in consideration that she would be getting some compensation, but this is most inadequate for a proper compensation in cases of this kind. Many cases have come to the judges where they have tried to make it appear that just because the daughter was now 49 years of age, that she was under some kind of disability and should be treated under Section Clause (c) and were not, of course, able to do so. This would allow the Court to make some provision, and I think it is not unreasonable it in not a new departure; it is merely of an old principle to this forgotten group or class of dependants.

The question being put, it was agreed to and the Bill referred to a Committee of the whole at the next sitting.

Bill No. 25 — An Act to Amend The Intestate Succession Act

Hon. Mr. Walker: — Mr. Speaker, this is an amendment to The Intestate Succession Act, and represents a change in the division between widows and children of intestate deceased persons. At the present time a widow and children divide the estate one-third to the widow, and two-thirds to the children, except where there is only one child, then half to each. This provides that instead of dividing it in that fashion, a different

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formula will apply. The principle is the same, but the formula is different. Under the proposed section, the widow is entitled to receive all of the first \$10,000 of the net value, and then the excess over \$10,000 will be divided as the whole estate was formerly divided under the existing Act. This means that the widow gets the first \$10,000 and if there is one child, the excess is divided one-half to the widow and one-half to the child. If there are two or more children, one-third of the excess goes to the widow and the other two-thirds divided equally among the children.

This makes only a change, as I say, in the formula of dividing the property, but rather an important change. Under the Act, which we were just dealing with, the Dependents' Relief Act, where a man dies, either with or without a will, leaving an estate of less than \$10,000 and doesn't leave it all to his wife under the will, it is almost inevitable that the wife can bring an application under The Dependents' Relief Act and have the whole estate paid out to her for her own use and benefit. It's not altogether an absolute rule. There are cases where judges will refuse to give the wife the entire \$10,000 in small estates, but they are a very small percentage of the total. In nearly all cases the court will give the first \$10,000 to the wife on an application. These applications cost some money. I don't know what all law firms charge for all of the work in connection with such an application, but I do know that it is not done for nothing. This will make such applications unnecessary in all cases where the estate is under \$10,000. I would say \$10,000 is usually a house, or an equity in a house, plus a few odds and ends. This will mean that the equity in the House up to \$10,000 will be vested in the wife for her own use. Only where the estate is in excess of that will the other rule apply.

You ask me, where is there a precedent for this. Well, the province of British Columbia has similar legislation, where they provide that the first \$5,000 will go to the wife. This was enacted some eighty years ago, and after hearing the Provincial Treasurer talk about the present purchasing power of money, \$10,000 seems to be reasonable. In England, similar legislation provides that the first \$5,000 goes automatically to the wife, and I think there would be some recognition of the fact that up to a certain allowance anyway, the wife should be regarded as being virtually a joint proprietor with her husband. It seems to me that a good case can be made for saying, where an estate is under \$10,000 it belongs equally to the husband and wife, although it may come out of his earnings and his pay-check; it was only possible because of her support and her assistance.

Probably the proper way to do this would be to provide community of property up to \$10,000, but this would involve quite a revolutionary approach to the whole problem, and it can be done simply by amending the present Intestate Success Act, so as to merely change the formula, to give her priority for the first \$10,000.

With that explanation, I move second reading of Bill No. 25.

Mrs. Batten: — Mr. Speaker, I would like to ask the hon. member if there is anything to prevent this 49 year old child whom you spoke of before from applying, and making an application to get part of the \$10,000? That is, under your amendment in The Dependants' Relief Act?

Hon. Mr. Walker: — Nothing to prevent it.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 26 — An Act to Declare Certain Rules of Law

Hon. Mr. Walker: — Mr. Speaker, this is merely an amendment to the above Act, and I do hereby move second reading of this bill.

The question being put, it was agreed to and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 27 — An Act providing for Certain Temporary Changes in the Law

Hon. Mr. Walker: — Mr. Speaker, I move second reading of Bill No. 27.

The question being put, it was agreed to and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 28 — An Act to amend The Devolution of Real Property Act

Hon. Mr. Walker: — Mr. Speaker, I move second reading of this Bill.

The question being put, it was agreed to and the Bill referred to a Committee of the Whole at the next sitting.

Bill No. 35 — An Act to Incorporate the Saskatchewan 4-H Foundation

Hon. I.C. Nollet (Minister of Agriculture): — Mr. Speaker, the proposed amendment to the above Bill would be very helpful to the 4-H Club movement to act up a foundation, and I move second reading of Bill No. 35.

The question being put, it was agreed to and the Bill referred to a Committee of the Whole at the next sitting.

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Bill No 37 — An Act to amend The Game Act

Hon. Mr. Kuziak (Minister of Natural Resources): — Mr. Speaker, there are a number of amendments here. They are all minor, and one is to give certain protection to hawks and owls; another one allowing trappers in their normal operations to shoot wild animals during the big game season; legalizing purchase to buy and sell. game birds, or big game raised on domestic or commercial farms or establishments; giving authority to the Minister to issue permits for exporting birds or animals for scientific studies. That is about it. With that, I move second reading.

The question being put, it was agreed to and the Bill referred to a Committee of the Whole at the next sitting.

The Assembly then adjourned at 10:00 o'clock p.m.