

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Fourteenth Legislature
24th Day

Tuesday, March 14, 1961.

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

On the Orders of the Day:

WELCOME TO STUDENTS

Mr. Douglas T. McFarlane (Qu'Appelle-Wolseley): — Mr. Speaker, I would like to draw the attention of hon. Members to a group of young students from St. Anne's Separate School at Wolseley, under the supervision of the Mother Superior, Mother St. Laurents and Sister Yvonne. I hope that their stay here this afternoon will be very educational and I am sure that all Members wish them a very interesting day.

STATEMENT RE SECURITIES COMMISSION

Hon. R.A. Walker (Attorney General): — Mr. Speaker, I would like to advise the House that Mr. W.W. Cameron, one of the Provincial Magistrates, and Chairman of the Saskatchewan Securities Commission, was recently asked to reconsider his resignation which was to take effect on March 31st next. He has now agreed to withdraw it.

The substantial drop in the number of prosecutions for securities offences in 1960 as compared with 1959 is due in no small measure to the effectiveness of the present standard of securities enforcement. The retention of Mr. Cameron does not indicate any apprehension on the part of the Government that there may be an outbreak of stockteering in the province of Saskatchewan, but we do feel Mr. Cameron is one of the most experienced and capable

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securities administrators in Canada, and we are anxious that Saskatchewan shall continue to enjoy its present reputation for its high standard of securities administration.

The Government is therefore, glad that Mr. Cameron has reconsidered his decision to resign and has agreed to stay.

MOTION RE SURPLUS AGRICULTURAL COMMODITIES

Mr. John Thiessen (Shellbrook): — Mr. Speaker, the Resolution that I am moving this afternoon, seconded by Mr. Dahlman is:

That this Assembly, concerned with surpluses in Canadian agriculture products requests the Government of Saskatchewan to continue to urge the Federal Government to encourage the sale of Canada's surplus agricultural commodities to its overseas customers and extend long-term credit to underdeveloped countries to enable such countries to purchase food for hungry people.

Whether or not we can bring our minds to the farm surpluses after viewing the steel mill last night, I don't know. I really want to take this opportunity to thank those who instigated this tour very heartily; we enjoyed it.

In studying a little bit on this motion at first I thought this would be an easy one to speak to, but the more you look into the statistics of what is happening in the world, the larger you find this field, and in looking to see why we have surpluses I found a little article in the "Reporter" of September 17th, 1959. This is a long article but it has one little short paragraph in which it says:

"A few figures illustrate the phenomenon; in 1920 the average American farmer worker produced enough to supply the needs of 4.1 persons. In 1940 the figure was 10.8 persons, and by 1956 had jumped to 20.8 persons. The productivity of the American farmer has thus grown more since 1940 than it did in the previous 120 years."

This great growth of farm surpluses is aggravated not only by the American farmer but by the Canadian as well. Then looking over the field of what we have for hungry people in the world, I found a little article in the January 31st, 1956, in Hansard, where Mr. Coldwell spoke, and he said:

“Sometime ago I jotted down some statements made by the United Nations Secretary General, of the technical aid organizations. He is a gentleman who many of us know well in Canada. I refer, of course, to Dr. Keenleyside. In ‘Weekend Magazine’ published by several newspapers in this country, as a supplement on Saturdays, in the issue of July 9, 1959, he has some striking things to say. He said, ‘grim figures illustrate the conditions under which a great part of the earth’s population lives. Over half of the world’s people are illiterate. Most of the world’s inhabitants suffer from hunger most of the time. Almost two-thirds of the people of the world have an average income of less than \$100.00 a year, compared with more than \$1500.00 in the United States, and this compared fairly favorable at that time with what we had in Saskatchewan.’”

This, Mr. Speaker, leaves most of the people hungry most of the time, all over the world. Then too, this resolution was in keeping, we felt, with what the United Nations General Assembly resolution was in part – provisions of food surpluses to feed deficient people through the United Nations system. Then, let us take a look at what is going on in the world, as far as wheat is concerned, and let us look at the most outstanding exporters in the world, Australia, Canada and the United States. I would like to cover, just for a minute, the exports that have been made. We find that these three countries have a total exported of 912.5 million bushels of wheat, oats and other cereal crops in 1959-60. The United States alone shipped out 512 million bushels, and out of these 512 million bushels, there was 300 million bushels that they sold using foreign currency and loans system to the other countries of the world.

We in Canada exported 279 million bushels, and out of this there was only 13 million bushels that were sold on term basis, and we used no foreign currency at all. They were all given away, and some of it sold on long term.

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The United States in the last year sold to India, Egypt, Pakistan, Brazil, and Poland, and none of these countries has ever before been purchasers of American grain. They made a deal with India where India would take in 588 million bushels of surplus grain at 147 million bushels a year. Canada, at the meantime, just did a little over 13 million bushels. Then we have also the loss of the free trade areas in Europe to worry us. There are three such blocks. The one block is made up of Belgium, France, West Germany, Italy, Luxembourg, and The Netherlands. These people are trying to set up an area where they can control what they import, and to try and make their land self sufficient insofar as their living is concerned. The second block is Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom. All these free trade areas are trying to bring the United Kingdom into their block, because these are the people who really do a lot of importing. Then in 1960 they set up a third block, and these blocks are detrimental to us, if they can work this free trade system. It is also going to hurt the Commonwealth preference system, which was built up in the 1930's, in which we were going to deal one Commonwealth country with another. To show just how important the United Kingdom market is to us, I'd like to give you a few figures in wheat: 37 % of all the wheat that we exported went to the United Kingdom, giving us the first place in England for grain; Aluminum 32% of all the exports; 54% of all the barley we sold went to the United Kingdom; Flour – 36%. These are just a few of the items that we export mostly to the United Kingdom: tobacco – 80%; flaxseed – 44%; and canned salmon – 77%.

Then we have another thing which is going to hurt us in the long run and that is the inauguration of President Kennedy's food for peace program. In his message to Congress, he said in part, as follows:

“This administration is expanding its new food for peace program in every possible way. The products of our abundance will be more effectively used to relieve hunger and help economic growth in all corners of the globe.”

“I have asked the director of this program to recommend additional ways in which these surpluses can advance the interests of world peace, including the establishment of a world food reserve.”

Mr. Speaker, they have been spending \$1.5 billion a year in distributing food surpluses of the States in

European countries, and the director of this board has recommended that they spent \$3.5 billion in 1961, and thereafter level off to \$3 billion. He has also recommended that these countries who do not want to buy with their own currency, who want to borrow money – they will lend it out for forty years, at 2% interest.

These, Mr. Speaker, are the things that we are going to have to watch, and which the Federal Government is going to have to watch, and do something with. This year, if we read the news and we see the T.V. programs, we find that we are doing a fairly good job of selling grain in the last three or four months. This, of course, is only a short term thing, and has mostly to do with weather in the European countries. The countries in Asia have had a very dry year and their crops are pretty well all written off. France, actually is only getting a 40% crop. Italy is importing grain, this year again, about 80 million bushels they figure they'll use. Argentina, and other major countries who have exported some grain, this year will not have any to export at all. Russia has made a deal with Canada, in buying some grain, China too, has had crop failures in which they need to import large amounts. The total of our exports may reach some 325 million bushels this year. However, this is vital to keep in mind: these improvements are by no means more than a one shot fear.

The world's demand situation is basically still critical as far as Canada is concerned, and the danger looms from all sides. One swallow does not make a summer, and one good export season does little to dispel the clouds of uncertainty that loom in the distance.

Mr. Speaker, we feel that the Federal Government must of necessity go out and take foreign currency; they must deal with all these nations, and do something on the lines of what the United States is doing. Because we have most of the people hungry most of the time, because we have many farm surpluses in this country of ours, I move this motion.

Mr. H. Ray Dahlman (Bengough): — Mr. Speaker, in seconding this resolution, I am of course, aware that much has been done in the way of credit and distribution of our farm surpluses, but we feel that not enough has been done yet. I think that we can say that we're not only in a cost-price squeeze, but we're also in an export-trade squeeze, between the

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give-away program of the United States, and ourselves trying to maintain stability in the international trading of grain.

I think that we have to review some of the things that have been attempted in the past, for instance in 1945, Sir John Boyd Orr, then the Director General of Food and Agricultural Organization for the United Nations, proposed the World Food Bank. It was an ambitious program in which humanitarian ideals would have cut across trade restrictions, and created a pool of food for needy nations. But, it seems that the plan wasn't too well accepted, because most nations backed away from the idea, because they did not want to relinquish the control over the distribution of their own surpluses. Only recently have the major surplus producing nations shown signs of accepting responsibility for have-not countries.

I think that it goes without saying that we recognize that we have tremendous surpluses of food on one hand, and millions of people on the verge of starvation on the other. Our problem is, how can we bring these two together? I think most of us, in this country at least, realize that if all surpluses of food could be distributed, then the supply would be inadequate, and there is little new arable land to be found anywhere in the world, Mr. Speaker. Fertilizers, better seed, irrigation, improved tilling methods, chemical control of weeds and insects can increase the average yield per acre. Our ability to produce has greatly increased, but food production is barely keeping up with world population growth. At the present birth rate the world population of 3 billion will likely be doubled in the year 2000. Science is contributing also to the rapid growth of population, and medical knowledge and skills have greatly increased life expectancy of people all over the world. Fifty-five per cent of the people live in Asia and seven per cent in North America. Years ago, when a country was unable to support its citizens, many of them migrated to less populous countries, but because of our restricted immigration laws, this is no longer possible.

I think that anyone who believes that all people have a right to live, must then accept the responsibility of providing food for those who need it. I think it goes without saying that food producers all over the world can't justify a condition of starvation, and justify curtailment of production. The farmers of this country would like to produce in abundance, and then find the ways of distributing that food.

I think that in the House of Commons, Prime Minister Diefenbaker, when he turned down the petition for deficiency payments, thought that the deficiency payments program might tend to create unmanageable surpluses, which we didn't agree with, but on another occasion when he spoke to a plowing match at Chrysler, Ontario, about a month later he had this to say: if the west is going to win the cold war, then we will have to produce and find ways of distributing that surplus of food. I think we have control on that, that we have to establish a trading policy that will adequately distribute the food to the needy countries, and in our opinion, long term credits must be one of those programs.

I think we also have to establish that there is nothing in the way of our physical handling of grain that would restrict us in our distribution of surpluses. We've done much, as I say, in the way of the Colombo Plan, where we have as a gift sent \$56 million each year, for the past three years. This isn't adequate. As a matter of fact, some of our old Wheat Pool men in our western agricultural federation, I think it was William Cummings, a Saskatchewan Wheat Pool director, who said that it is not too much to ask that the Federal Government provide 100 million bushels of wheat to this program. He believed that the people of Canada are waiting for some kind of leadership, and that they were ready to support that kind of a program. I think that most of us will agree that our farmers and our local businessmen, feel that we should be getting rid of the surplus and not carrying it at home.

In 1958, the fall of 1958, I believe it was, when the Wheat Pool field staff made a survey, in preparations for their march to Ottawa. In surveying the farmers these are what they felt were the most important problems as far as the farm problem was concerned. The first three are cost-price squeeze, high costs, low price for farm produce, and limited deliveries of grain. The farmers placed the latter in the fourth category, whereas the business men listed the limited deliveries of grain as being the number one problem, so I think that we more or less agree on this, that we're producing more than we can consume, and rather than curtail production, we should continue to produce as much as we can, and then find ways of distributing same.

We also will argue, of course, that as long as we have surplus of grain, we're also going to be a threat to the livestock industry. I think that goes without saying, that a farmer who has to find ready cash to manage his own personal farm operations, is going to turn to the

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production of livestock. Well, it would be much worse if we got into a position where we produce more livestock than we can consume; we would also ruin that industry. I think that in order to keep the surplus of grain moving into the world positions where it will be consumed, we're going to have to resort to long-term credits, and in doing that we're helping the hungry people of the world. A surplus of food is a headache to us, and a bellyache to people who are in lack of it. While we are also doing this, Mr. Speaker, we're building up potential customers. These have-not countries that are now on the verge of becoming economically aware of world conditions and the potentials that we have, will be in a position, then, to take advantage of any assistance that we can give them, at the present time in long-term credits.

We have the best quality of wheat in the world. If it weren't for the quality of wheat that we have, then it would be much harder for us to dispose of the same. Our high protein wheat is much needed in countries where the climate is warm. I think that we should go along with the thinking of our farm organizations, and our federation of agriculture, that we want full production and full consumption. When two-thirds of the people are under-fed, I agree with Mr. Charlie Gibbings when he said this:

“There is only one sensible way to get rid of a surplus of food, and that is through the bellies of the hungry people.”

I think we'll go along with that, and anything that we can do, Mr. Speaker, in enhancing our ability to supply the needs of these hungry people is our job. I don't think that future generations would forgive us, if we didn't find ways and means of moving this surplus of food to the needy people.

I also want to refer to Mr. Coldwell. I remember, it is a good many years ago now when he made this statement. We had a surplus of food at that time in the world, as a matter of fact, we were deliberately destroying it to create an artificial scarcity, and he said:

“When you're saying the Lord's Prayer, ‘Give us today our daily bread’ I think we should pause and add another line, ‘give us the intelligence to use it’.”

I think that is something which we have to consider. Even this might seem sort of an unorthodox way of dealing

in an international way, maybe it's not good business ethics, but I don't think that we in this country would need any moral rebirth, I think that most of us agree now that the international trading of wheat is done by Governments rather than by private grain companies, or what have you. I think that it's much easier now, for us to establish these credits between nations, and with that Mr. Speaker, I don't think that this motion needs very much clarification, I ask the Members to support it.

The question being put, it was agreed to.

MOTION RE MUNICIPAL CORPORATION OF URANIUM CITY

Mr. Allan R. Guy (Athabasca): — Mr. Speaker, the resolution that I am moving this afternoon, seconded by Mr. Thatcher is:

“That this Assembly, concerned with the present difficulties of the Municipal Corporation of Uranium City, requests the Government of Saskatchewan to give every consideration to providing assistance, financial and otherwise, which will improve its sagging economy and enable it to meet its commitments at this time.”

Mr. Speaker, in rising to speak to this motion, I would like to acquaint Members of this House, both sides of it, with some of the problems facing Uranium City at the present time. Now, I'm bringing these problems to you, not simply because Uranium City is in my Constituency, but rather because I believe that the problems affecting this area are also going to affect the province as a whole.

To those of us who live in the southern part of the province, the problems of this northern area are sometimes considered far away and inconsequential. But, I can assure the hon. Members that these problems, of the Uranium City council, and the people who are trying to solve them, are of major proportions to them, and I can further assure the Members of this House, that politics does not enter into their request in any way for help in solving these problems. Although there have been some who have suggested that if the Constituency of Athabasca had returned a Member on the Government side these problems would have been given more consideration,

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I do not believe this, and I hope that no Government would sacrifice a community for one Member in the Legislature. Rather, I believe that perhaps this Government is not fully aware of the desperate financial circumstances in which the Municipal Corporation of Uranium City finds itself. Therefore, I would like to outline some of the major problems existing.

Now I must confess that my knowledge of financing is very limited, but I will try and present the picture as it has been presented to me by members of the council and others from that area. While most municipalities are faced with problems of expansion, the Municipal Corporation of Uranium City is faced with the opposite problem, that of shrinkage. This means that while expenditures remain relatively constant, due to a large capital debt, which must be paid off, the incomes are decreasing rather rapidly. Due to a falling off of the demand for uranium, mines have closed until at present there are only two left – Gunnar Mines Limited and Eldorado Mining and Smelting. The population of the area has decreased from 4600 in 1969, to 3200 in 1960. Many businesses have closed down, and of course, this has affected the financial situation in many ways.

The assessment is down \$1½ million, resulting in a decrease in tax income of \$60,000 per year. The same mill rate as last year on this decreased assessment will leave a deficit of from \$40,000 to \$50,000 this year. On the other hand, people will not pay a higher rate in view of the future. Besides, the per capita tax of \$112.00 is, I believe, \$43.00 higher than the provincial average for towns of the same size. At present, both mines are contributing in taxes all that the traffic will bear. Particularly in view of the fact that these two mines will be paying \$50,000 to \$60,000 more in royalties this year to the Provincial Government, although production, I understand, will be down. Due to the uncertainty of the future of this area, people are letting taxes go unpaid until uncollected tax arrears have reached \$105,000 by December 31st, 1960. This has increased from \$71,000 in 1959. At present the Municipal Corporation has a capital debt of \$3 million on a \$12 million assessment. Debt charges on this amount \$244,000 a year or ten mills on the tax rate.

The hospital which was built before incorporation for a million dollars is a good part of this debt. Another debt that must be paid off, is a debt of \$174,000 which was charged by the Government for assets in the town at time of incorporation. Interest at 4% is paid on this, and

this year the first payment of principal is also due: \$24,000. The cost of education is high, due to higher building costs, and teachers' salaries are approximately \$1,000 more than the Saskatchewan average, due to their more-or-less isolated position.

The final problem is the fact that recently Gunnar Mines have stated their desire to secede from the corporation due to high taxes and so on. The corporation is trying hard to keep them, but it is realized that a split in the community would not be good for anyone concerned. Without knowing all the facts on both sides, one cannot say which is right or which is wrong, however, I do feel that probably both have sufficient reason for their attitude at this time.

Now, those are some of the problems. What are some of the solutions? Well, I wish I could suggest the answers to the problems so easily as I was able to set them out. You probably read a few weeks ago, where the town of Elliott Lake in Ontario is suffering from similar difficulties. At that time, the Premier of the province of Ontario suggested that their Government would possibly cancel all the debts and interest payments involved. Now this would be a fine solution, but I doubt very much that Saskatchewan, being less wealthy than Ontario, could afford this approach to that problem. Another possibility would be the cancellation of all debts occurred before the incorporation of the town. Possibly, it may not be very good analogy, but I think a precedent was set with the procedure under the B.N.A. Act, when the newly-formed Dominion Government took over the debts of the provinces. Another approach would be the scaling down of the capital debt and interest payments over the next few years, with a possibility that if conditions didn't improve, the Provincial Government would have to make grants to cover the interest payments at least.

An increase over the minimum educational grant which has been received by that area would also ease the burden of school administration. Since I believe the high tax rate is the main reason for Gunnar's wish to secede from the corporation, possibly a better financial picture could be worked out with lower taxes for them. They would possibly then reconsider. I would like, at this time, to say that the council in Uranium City are doing their very best to make ends meet. They are being as efficient in their operation as is humanly possible, as shown by the fact that last year they were \$13,000

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below their budget from public health due to skimping and efficiency of operation.

Well those are some of the financial problems, which exist, and perhaps a few possible solutions.

Another problem, of course, is the slow-down in the economy due to the uranium markets. We all know that we cannot possibly assist Uranium City indefinitely merely by paying out money. We must help the area by providing means whereby their economy can be changed from one based on uranium to a much wider base of base metals, gold, tourism and so on. Access roads to open up the area for prospectors and tourists could be of immediate help, and greater advertising of the tourist potential of the area is greatly needed.

Finally, I would like to say that possibly there could be a meeting in the very near future between the Government and the Council, Gunnar and Eldorado management, Department of Natural Resources, and any other interested people, where a very frank discussion of problems could take place, and a real attempt be made to solve them.

Now, in closing, I would like to say that the people of Uranium City and area are not looking for handouts, but they would appreciate thoughtful consideration given to their problems in view of the fact that the Provincial Government over the years has received more than \$5 to \$6 million from this area. I hope that the Members of this House will pass the motion unanimously, thus showing the people of Uranium City, who pioneered this area, and who now, because of their faith in the area, are facing financial ruin to remain there, that we recognize the contribution to Saskatchewan that these people have made in the past, and our hope for greater glory in the future.

Hon. Mr. Brockelbank: — Mr. Speaker, I move the adjournment of the debate.

The debate was, on motion of the Hon. Mr. Brockelbank, adjourned.

ADJOURNED DEBATE RE NUCLEAR WARFARE (Mrs. Strum)

Mrs. J.E. Cooper (Regina City): — Mr. Speaker, in rising to speak on this resolution, I would first like to congratulate my colleague, the lady Member from Saskatoon, for the very excellent presentation she made when she introduced this resolution, and I agree wholeheartedly with the things she had to say. It is not my intention, Mr. Speaker, to repeat many of the things that she said on that occasion; I might refer to one or two of them because of the lapse of time, that has occurred between the time the resolution was moved and today.

What I would like to do this afternoon is to refer to some of the statements made by the Member for Moosomin with which I cannot agree, and to say something more about an organization that was mentioned by the mover of the resolution, that is the Voice of Women.

Now, the Member for Moosomin, when he was speaking on this resolution, expressed his very great hatred and revulsion of war, and he expressed it very sincerely, and very effectively, and I'm sure every Member of this Legislature would agree with those sentiments. But, however, he went on later and said this, and I'm quoting:

“If we are ever involved in a conflict, I believe in total war.”

With this, Mr. Speaker, I cannot agree. I don't think that the Member from Moosomin has really visualized the full impact of what total war would mean today. Total war in the last war was horrible enough, but what would it mean today? It would mean nuclear warfare, biological warfare, germ warfare, and we know already cultures exist that could spread germs whereby the death might be a slower death than by atomic warfare, but nonetheless horrible. These are things that are involved in total war. Total war actually, Mr. Speaker, is total destruction. Atomic war is not war against an enemy; it's war against civilization itself. It's no respecter of persons or geography, or neutrality; it doesn't distinguish between right causes and wrong causes; the just and the unjust would suffer alike, and total war would destroy that very freedom which it seeks to protect, and what is left of the world would probably not be fit for human habitation.

Referring to this article by Phillip Wiley, part of which was quoted by the Member from Saskatoon, he points out that all-out war with the megaton fission

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now possessed by the United States and Russia, would bring about the eventual slaughter of nine-tenths or more of all the people who live in the north temperate zone, and of course, we are in that group. Also he shows how futile it is to think that civil defense efforts could possibly cope with this. And in the face of all the scientific knowledge we now have, in face of the fact that we can be attacked by bombers, by submarines, and by missiles, and satellites, and I would like here to refer to a little article by Drew Pearson, from the Los Angeles Mirror:

“One year ago the Russians looped a missile 7,767 miles into the Pacific. Before the warhead plunged into the ocean, it ejected an instrument package. Retro rockets slowed down this second capsule then a parachute dropped it gently upon the Pacific swells. A Soviet ship was waiting nearby to fish it out. The feat required split second timing and left all the experts agog.”

So a satellite could carry atomic bombs from the soil of an enemy, right onto our soil. There is no protection against a thing like that. To suggest that we have protection against total war is Maginot line thinking, and would probably prove just about as effective as the Maginot line did. Not only this, but this outdated thinking is really very, very dangerous because it's an escape from reality, and it is apt to produce an apathy to make people rely on protection that simply wouldn't exist. It is apt to make people prepared to spend millions of dollars on fallout shelters which probably would be of no value whatsoever in case of war. So I say that this kind of thinking is one of the dangers that we face in the situation today.

As pointed out before, the people in the civil defense business, and I'm not criticizing them, Mr. Speaker, I think they're doing the very best they can under impossible odds, but it has been pointed out, and was pointed out by the Member for Saskatoon, that not only would bomb shelters have to be stocked for a few weeks, but for months, because there would be not just one H bomb attack, but repeated attacks. She also described for you, the tremendous fire storm that would ensue, when everything combustible was ignited – huge gas tanks exploded, skyscrapers toppled, gas mains broken, water mains broken, and the heat generated by this kind of conflagration would turn a bomb shelter into a veritable crematorium. Even for those people who were

not exposed to so great heat, when they tried to emerge from these shelters – How could they emerge? How could they find their way over the radioactive rubble that would be there? What would they eat? What would they drink? Where would they go? Then there is the problem, the impossible problem of evacuating large cities, because the time would be so short between the warning and the time the attack actually took place, and under panicky conditions it would be virtually impossible for successful evacuation. Further still, there are the after-effects of the radiation, and the fact that these after-effects would continue for such a long time. Rain would bring down increased loads of hot materials and wash down the water sheds, concentrate on the farms and the rivers and the reservoirs and it would get into the algae on the lakes and the rivers. It would infect the plants and animals and make them impossible for use, and it is pointed out also that in heavily bombed areas, they would be a death trap for men to decades to come.

:Now, in testimony given before the United States Congress, by military men, it has been pointed out that the first serious H bomb assault on Russia would eventually kill most of the Russians, including Siberia, about half of the people of Japan, and possibly a high percentage of the people in the Philippines, and that a Soviet attack on the United States would be just as devastating. We know that even the testing of atomic weapons has a very dangerous effect. I'm sure all of you will remember the case of the Japanese fisherman. When the Americans exploded an atomic bomb in the Pacific, many miles away were these Japanese fishermen, but the radioactive fallout struck them, and they were terribly burned. Of the twenty-three, the wireless operator died, the others are still in the hospital, and one of the fishermen who is lying in the hospital sent this message through a reporter to the world, and this was the message he sent:

“Our fate menaces all mankind, and tell the authorities that, and may God grant that they will listen.”

And, so Mr. Speaker, I say if ever again the nations engage in war, may God grant that it will not be total war.

Then Mr. Speaker, the Member for Moosomin, defended the attack on Hiroshima and Nagasaki, on the grounds that it saved lives, and this was a justification. Now, this is the justification, Mr. Speaker, that I could never

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accept, in view of the fact that the hundreds of thousands of innocent men and women and children, were attacked without warning, without chance of evacuation. The deaths of innocent people were so much greater this way. Recently, Mr. Speaker, other facts have come to light surrounding these incidents of this bombing at Hiroshima and Nagasaki that I would like to relate to this House. I have been reading an extremely interesting and a very well-documented book by Dr. Robert Jung, who is an historian, and a man who writes widely on scientific matters, and in his book he gives a description of what happened in connection with the bomb, and he states that even from the viewpoint of ending the war quickly, or saving lives, this attack was completely unnecessary. He states that Japan was ready for capitulation, and I want to read just a very small bit of what he had to say. He said:

“The intelligence services of both army and navy of the United States, were in fact at this date already convinced that the final downfall of Japan could only be a question of a few more weeks.”

Alfred MacCormick, military intelligence director in the Pacific theater war, recalls, and this is a quote:

“We had such complete control over the air of Japan that we knew when and from what port every ship was put to sea. The Japanese no longer had enough food in stock, and their fuel reserves were practically exhausted. We had begun a secret process in mining all their harbours, which steadily isolated them from the rest of the world. If we had brought this operation to the logical conclusion, the destruction of Japanese cities with incendiary and other bombs would have been quite unnecessary. But General Worthington declared at Washington that this blockading action was a cowardly proceeding, unworthy of the air force, and it was discontinued.”

And then he goes on to say:

“Not only could the blockade have succeeded, but there was an even better chance at that time, for clever diplomacy, because Japan was ripe for capitulation.”

And he points out that the Japanese Emperor had already sent an emissary, sometime before, to Moscow, Russia, to mediate, asking Russia to mediate with the United

States for the end of the war. But, that Russia wasn't anxious for the war to end so early, because it had been agreed at Yalta in the previous February that Russia was to enter the war and they wanted to be on Japanese soil when the war ended so they could share whatever spoils there were, or share in any division of power there might be. So instead of transmitting the messages as they should have been doing, they were stalling in every possible way, finding excuses not to meet the ambassador and they kept on stalling. But Washington knew what was going on, they knew about these manoeuvres because they had decoded a secret Japanese code, and had been reading ever since the middle of July, the urgent instructions from the Prime Minister Tojo, by radio to Moscow, which read:

“Japan is defeated, we must face the fact, and act accordingly.”

Truman, instead of exploiting these indications of Japanese weakness, issued a proclamation at Potsdam which made it more difficult for the Japanese to capitulate without losing face, and also the American historian Butow says, and he has made a meticulous study of all the incidents surrounding this period of time, he says that he believes that the war could have been brought to an end by discreet diplomatic channels. But, he writes this way: Had the allies given the Prince a week of grace, to obtain his Government's support for acceptance of the proposals, war might have ended the latter part of July or the first part of August without Soviet participation.” But he adds that the possible reason the American Government remained blind was the knowledge that it possessed the bomb, and instead of patiently waiting to undo the knot, it appeared more convenient to cut with a slash or two of their shining new weapon.

Then the story goes on, and I'm not going to take the time of the House to go much further with it, but it tells of the struggle and the arguments between the scientists and the military men, as to how to use the bomb and whether to use the bomb, and under what conditions the bomb should be used. But, again it tells how preparations had been made sometime before, and certain cities and it names the cities, had been left free of other kinds of attack because if they were going to be attacked, they were going to be attacked by the atomic bomb. Research would be easier if you could compare the effects of this type of bomb with others, if it was a previously unbombed area. And, in conclusion he says this:

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“The sum of a thousand individual acts and blunders eventually caused an act of collective abandonment of conscience, horrifying in magnitude.”

And, Mr. Speaker, there are certain conventions even in war, such as the Geneva Convention, in which we set up standards of savagery beyond which we will not go, and I believe, Mr. Speaker, that this act broke the spirit of these conventions, and showed supreme contempt for human life. It was the uttermost in violence, and I think when the history of this period is written, it will be one of the blackest pages in our history, and one that we will all certainly wish, Mr. Speaker, that we could erase.

Now then, the Member for Moosomin went on to say this. He said that he insisted that the Government of Canada spend whatever money necessary to defend Canada's way of life, and to equip the armed forces with the most modern weapons available, and that, of course, includes atomic weapons I presume. Now then, why should Canada and Canadian forces be equipped with atomic weapons? We know that there are enough atomic weapons stockpiled today to end our civilization if they were used. And, then I would like to pose this question. Would Canadians having atomic weapons, or having atomic weapon bases on our soil, would this really protect us, or in the long run would it assist our allies? Now, situated as we are between two giant atomic powers, much greater atomic powers than we would ever be, I cannot believe that having atomic weapons ourselves would either protect our forces or our people, or deter enemy attacks. In fact, having atomic bases on our soil, would most assuredly invite atomic attacks on our soil. What is more, every additional nation that accepts these weapons, enlarges the chances of accidental war, and if Canada is to have atomic weapons, why not other countries, India, Africa, Norway, Sweden. Now we know that there are eleven additional countries that are capable economically and technically of producing and of having a successful nuclear war program. These include Belgium, China, Canada, Czechoslovakia, East Germany, West Germany, India, Italy, Japan, and Sweden. Now then, if all these other nations had atomic power, certainly it would give these smaller nations the power of waging war all out of proportion with their true industrial power. For instance Cuba could threaten the United States, or Turkey could threaten Russia, and of course, accidental war which is not a figment of the imagination but a great possibility would be a greater possibility.

Now, we may not think that accidental war could occur, but there are many ways in which it could occur, and apparently there are many times when it almost did occur. I would like to quote a little bit of a story that was published first in the "Manchester Guardian" and then in Omaha, and in the "New York Times," and it reads this way. This is the story as written in the "Manchester Guardian:"

"Do you know that the world nearly ended last week? The early warning radar system at Thule picked up signals which were analyzed by computers as the flight of missiles coming over the horizon from Russia, and heading in the direction of America. The famous red telephone rang at Strategic Air Command Headquarters in Nebraska. All over the world S.A.C. crews stood in their planes. Someone in Nebraska signalled for confirmation. There was no answer. Thule must have already been hit."

What restrained the free world from launching its retaliation weapons during this next half hour, I do not know, unless there was an old fashioned deterrent such as incredulity and funk. Whatever it was, it came in handy, for it turned out that Thule had picked up not a squadron of rockets, but a large earth satellite, which the intelligence had apparently failed to inform them about and by the time this little error was discovered, they were prevented from passing on the information because of the interference of an iceberg.

Now, this matter was discussed in the House of Commons, and there was some disagreement and some confusion, as to what actually did happen. But this is just one small example of how war by accident could be provoked. It could be provoked by mechanical failure, and machines are not perfect, or by human failure, and human beings are not perfect. It could be by radar signals misinterpreted, by misreading orders, code orders from one country or another, or by spur-of-the-moment decisions on the part of the military commander, who thought they were threatened, and acted without getting sufficient confirmation from higher quarters.

Again, I say that every country that has nuclear weapons, adds to the great danger. If all the small nations such as I mentioned were to have nuclear warheads, and to be nuclear nations, war, I believe, would be almost inevitable, and it would complicate the very difficult problem of reducing armament; it would complicate the

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questions of inspections; and it would make it much more difficult to abolish atomic weapons, because that many more countries would have vested interests in their retaining such weapons. I believe, Mr. Speaker, Canada, perhaps more than any other country, is in a position to give moral leadership in this line, because we are a very highly respected nation in the councils of the world, we have no territorial ambitions, no aggressive intent, and the other countries of the world know this, and would believe it more so if we were to renounce our atomic weapons. We are in a position to give great leadership to the world, leadership that is so badly needed at this present time. It is because of all these worries, Mr. Speaker, and because of the terrible concern that women all across this country are feeling, and because women in particular, as mothers who are concerned about families, concerned about our children, and concerned about little children even yet unborn, it is because of this anxiety that the Voice of Women, an organization that was formed to try and see if there is any part that we, as a group, could take in promoting the peace and getting rid of the threat of nuclear war.

I would like to say a word about how this organization began. Its growth has been almost spontaneous. It was started actually by a group of Toronto women. Lotta Dempsey, who is a news commentator, and an editorial writer with the "Toronto Star", wrote an article in May 1960, after the collapse of the summit conference in Paris, in which she urged collective action by the women against the threat of thermo-nuclear war. About this time, a mass meeting was to be held in Toronto, with Hon. Phillip Noel Baker, Nobel prize winner, as the speaker. This group of women, in response to the request by Lotta Dempsey, prepared a plan of action to mobilize women, and went to this meeting and were given permission to present their suggestions at that time. The response was so very enthusiastic that they went ahead, and they presented a brief to the various leaders of government, to all political parties, and this by the way is a non-partisan organization. Again, they got the finest response, and I would like to read to you the statements of the leaders of the political parties, about this organization, Voice of Women. This first one is from the Hon. Howard Green, he says:

"The whole future of civilization is at stake. There is a very strong public opinion stirring against tensions in the world, and against the

growth of nuclear weapons. It needs the Voice, and the Government welcomes the general public taking responsibility to speak out in these matters.”

And then from the Hon. Lester Pearson:

“There has never been a problem of this magnitude in the history of mankind. I can think of nothing more important than the organizing and stimulating of public opinion in the world toward the end of removing these tensions and fears, and stressing the peace. And in that work, women, who are sometimes forgotten, have a great role to play.”

And from Mr. Hazen Argue:

“To prepare to fight a nuclear war is an act of madness, for to do this is to prepare for suicide. Canada must instead devote her energy to preventing war by lessening the tension in the world that would lead to war, and the Voice of Women can help mightily in the cause of peace.”

And, we also have a statement from Mrs. Lester Pearson:

“I’m indeed interested in the Voice of Women. I think it is the most imaginative and worthwhile project. If we, the women of the west, could succeed in reaching the women on the other side of the curtain, that is Russia and China, with no political overtones, but only as mothers of young children whose lives and well being are at stake under this terrible threat of atomic fallout, not to mention bombs, I think we could start a chain reaction toward peace instead of war, and it’s well worth the try. I am sure many mothers and grandmothers in Canada feel helpless and horror struck under the terrible threat that hangs over us, and would be anxious and enthusiastic to do what they could to stop it. I would be honoured and pleased to be an honorary sponsor of the Voice of Women, and I would like to do what I can to help. Yours most sincerely, Marion Pearson.”

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The organization has now been set up. Its honorary sponsors, Mr. Speaker, are Mrs. Hazen Argue, Senator Muriel Ferguson, Mrs. Egmont Frankel. Senator Nancy Hodges, Senator Elsie Inman, Senator Olive Irvine, Senator Marianna Jodoil, Mrs. Lester B. Pearson, and Mrs. Harry S. Quart. Its active officers include, and I won't read them all, Mrs. W.D. Tucker, who is the president and is a representative to United Nations on UNESCO, and a university lecturer at the University of Toronto. Mrs. Fred Davis, whom you know. Mrs. G.N. Swanston, Miss Muriel Jacobson, Mrs. Pierre Berton, Dr. Marguerite Bailey, Miss June Callwood, Miss Toby Robins, and others.

Now this organization hopes to work through existing organizations, women's organizations, and also to form small groups throughout communities all across Canada, and this is already being done. They have prepared a very excellent bibliography of literature, books and pamphlets on foreign affairs, and on affairs of nuclear war. They are hoping to make studies, and they intend to try and institute large scale correspondence between women of various countries, and we hope with women in the iron curtain countries, talking about things of mutual interest, not of political things that divide. They hope to reach beyond the border of Canada, as I say, into all parts of the world and spark this great movement.

Now, this organization has had excellent support from the radio and the television and the press, and it has tried not to speak too much on political matters, but it's been asked where it stands on certain matters, and it has taken a definite stand on two or three which I'll just mention. On disarmament they say, "We would support universal controlled disarmament" and here, I would say that universal controlled disarmament is unrealistic, and impossible as long as China, a nation of 650 million people, remains outside of the United Nations.

Then on the question of nuclear arms for Canada, this is the statement:

"While recognizing the psychological power of a nuclear deterrent, we feel that the spread of nuclear weapons to countries other than those already involved, increases the possibility of war breaking out and compounds the problem of disarmament. We feel that a large group of non-nuclear nations in the United Nations can bring great influence to bear upon the nuclear nations in disarmament negotiations."

For this reason, on July 28th, the following telegram was sent to Mr. Howard Green, Mr. Lester B. Pearson, and Mr. Hazen Argue, by the central committee of Voice of Women. It says:

“Voice of Women unanimously declare themselves opposed to nuclear war, therefore, we suggest any proposals that will keep Canada, free from nuclear involvement, thereby strengthening Canada’s leadership among the non-nuclear powers, is right.”

This view is supported by a large number of members at this time, and we wrote letters to Ottawa on the subject.

Commenting on their statement, I have a little press clipping, an article from the Quebec “Chronicle-Telegram,” and it says, “Women call out for peace.” I would like to read this article; it’s short:

“Last week a small news item announced the creation of an organization known as Voice of Women. The movement was launched in Toronto, and it hopes to become international with its aim of banning nuclear weapons and war in general. At the time we did not pay too much attention to it, for such movements are not new. The Voice of Women, however, would appear to be much more articulate than other organizations, which have set forth similar aims. This week we have received a copy of a letter which apparently is being sent to every Canadian newspaper. Its purpose is to arouse Canadian public opinion against any effort to equip Canadian forces with nuclear arms. The spread of nuclear arms statistically increases the chances of nuclear war, the communication states. If Canada joins the nuclear club, why not India, why not Norway, why not Denmark, Sweden, why not Africa? In the past we have frequently written in the same vein, so that we have in effect endorsed and advanced the efforts of the Voice of Women, but we are not alone. External Affairs Minister Green, Opposition Leader Pearson, and CCF Leader Hazen Argue have all encouraged the Voice of Women in its effort to arouse public sentiment against nuclear weapons. Certainly if the world is to have peace, those who feel strongly enough about it, must speak with as much determination as those who speak to promote war and armament. The cause of peace may well be lost by simply

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doing nothing. It has happened time and again in the past. We have witnessed movements such as this, tumble before pressures which have been often used in disguise as patriotism. Yet such movements do express the urgent desire on the part of the people, we believe the majority, only those who stand to gain something out of war, are constantly rattling the sabre. If for no other reason, than it represents a spirit across the nation, that is large and inarticulate, the Voice of Women challenges Canada to renounce nuclear weapons. It is a challenge that Canada should accept, for never before has the world needed sane leadership as it needs it today. With nuclear weapons, Canada is part of the mad mob; without them, this country can lead the world through the torturous maze to peace.”

Now, Mr. Speaker, I don't know how effective the Voice of Women will be. It depends on how it catches the imagination of women, and how large a number of women can be mobilized to join this organization, and whether or not it can reach out into other countries. But, I do say this, Mr. Speaker, if it keeps the singleness of purpose, and keeps the ideas and the ideals which it is starting out with, if it refuses to yield to the kind of pressures that will be used against it, if it becomes a really potent force, if it can do these things, then its possibilities are almost unlimited, and I for one, Mr. Speaker, am willing to give it a try, and help it in every way I possibly can.

In conclusion, I would just like to refer once more to a little bit of Phillip Wiley's article, because I think it sums up my philosophy, and the hopes and the aspirations of the Voice of Women better than I could possibly do. At the conclusion of his article that appeared in the "Rotarian" he says this:

“The difference between free men and communist-dominated people will have to be fought out in non-military ways. The reds will use every stratagem of bluff, or racket rattling, of subversion of other people, of dishonest propaganda, of economic conquests to win the world to communism. The free world has liberty to offer, and equality if it will. If the free nations can perform an honourable and peaceful winning over by education, by loans, by private investment, by personal contact, of the uncommitted

people, they can eventually destroy the red chance to create a red world. But, if free men fail the world, we shall eventually lose our own liberty, and become slaves too. That, not H-war survival, is the challenge of the future. And it's my belief that free men will eventually understand this too, and meet its challenge. But, as long as we continue to think mistakenly that we can engage in and win an all-out war, we shall fail to fight properly the only real war in which we and our children and possibly theirs will be embattled, the so-called war for men's minds. Such is the real battle which the mainland China, and a dozen other whole nations already lost. We can fight back effectively only by such means as free men use, by education, by economic aid, by personal contact, and by practicing that equality which currently uncommitted people, whom we may win to our side, which currently they see we do not now practice. Perhaps, when we can see no martial victory is possible, perhaps then we shall make so mighty a free and peaceful world, as to gain back for the world, the peace and freedom it yearns to own. That, not how to take quivering shelter when bombs fall, this is the battle that will rage, whether free men fight back or not, till freedom is gone or till freedom is won."

Mr. Speaker, I will support the resolution.

Mr. Ian H. MacDougall (Souris-Estevan): — Mr. Speaker, I rise to speak to the motion of the hon. Member from Saskatoon and I think that I will take her motion clause by clause.

After listening to the lady Member from Regina, I couldn't help but sit here and think that there would be many a Communist leader, if he should hear this talk of pacifism, smile to himself and realize that the west would certainly be weakened should we all follow that line of thinking.

First, her resolution says reduce the defence budget substantially, the savings to be used by under-developed countries. Mr. Speaker, who then, may I ask will defend Canada's boundaries? Some people in Canada

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have the idea that our defence is the responsibility of the United States. Now, again I ask, where is our national pride? Canadians have the duty to defend Canada's boundaries and they have the further duty to pay for the equipment to defend this country. We know that this equipment goes out of date. Every piece of equipment used in World War II was very soon obsolete, but this can't be helped and we must be prepared at all times. We can't afford to sit back and find ourselves faced with the possibility of another war, and have our soldiers go out to the front with no arms whatsoever, as they did prior to World War II. The future will have to look after itself as far as defence spending is concerned, but we must be prepared at all times. Each year new devices are developed and we must, insofar as we can, keep abreast of the times.

I can point to the Russo-Finnish War of some twenty years ago, and each Finn alive today must look back with pride to the soldiers that were sent out to defend that small country against the big Russian bear. They had very poor equipment and limited resources behind them, and yet they fought and held the Russian bear at bay.

Now, Mr. Speaker, it's not the size of the dog in the fight that counts, but the size of the fight in the dog. Canada must have a program of national defence, and while we can criticize the program, I can say that most of us here right now are not even remotely qualified to pronounce on these decisions of the experts. I might say, let's leave it to the military to decide what weapons we should have and when we should have them. I agree that helping out under-developed countries is a responsibility which all the wealthy nations have, but for goodness' sake, not at the expense of our defence budget.

Refusal of all nuclear weapons on Canadian soil and to Canadian forces everywhere, is ridiculous, to say the least. It's like sending troops in with bows and arrows, if they don't have up-to-date equipment.

Now, I have done some reading on nuclear weapons and weapons of destruction, and there are two types of nuclear striking power which must be considered. One is the total destruction bomb of the megaton variety, such as the type which was detonated over Japan, and on the various testing grounds of the world. These are very definitely weapons of total destruction. A war

with such vicious tools would certainly mean the destruction of this earth. Canada is situated between two giants of world power today, and any missile war between them would certainly involve Canada. We must arm our forces at home and abroad, with the best equipment available. Now, there are other atomic weapons of atomic variety, such as the kiloton weapons, and from what I've read, these weapons can be developed and tested underground. They are a low power weapon, but in the event of war, if we do not have these weapons, we will be caught flat-footed.

Who knows how far Russia has gone with these developments? One thing we do know is that Russia cannot be trusted, and that agreements signed by that government are not worth the paper they are written on. What Mr. Khrushchev does or says today doesn't mean a thing tomorrow. While Russia makes overtures and peace moves, let them prove to us that they are sincere with their disarmament talks. There is no doubt that Russia has a vast stock of arms, nuclear and otherwise. I'd say to Russia, if you're sincere with these peace proposals, open up your doors and let us have a look, and until this is done in good faith, no pressure should be brought to bear on the United Nations for disbanding nuclear arms.

The Communists have yet to show us that good faith: all you have to do is to ask the Hungarians. The only good faith that Russia knows is might, power, and force. Russia understands this. They are not so prone to understand peace talks in the way we know it.

Now, as for the recognition of Red China by the United Nations, it has yet to be proven that this will assist world peace. Remember, the Communists of China are no more honourable than the Communists of Russia. I heard Chinese delegates get up at our National Convention in Ottawa, and they denounced the very idea that we should be prime movers in sponsoring admission of Communist China to the United Nations. They claimed that the Communist red regime did not represent the Chinese people. They control them; they don't represent them. The admission of Red China to the United Nations would only serve to give the Red Chinese more prestige, and when the smaller countries of the Far East take a look at that, they will simply look at the western world and feel that they have certainly been let down.

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Again, I say, neither China nor Russia have demonstrated their willingness to show the world their sincerity at attempting true world peace. They talk about peaceful co-existence. The average person in this country thinks that when Mr. 'K' says that he's in favour of peaceful co-existence, that it means that he's ready to settle for the status quo and live in genuine peace and friendship with the rest of the world. The Moscow conference has made it quite clear that while Mr. Khrushchev is eager to avoid nuclear war which might reduce the Soviet Union to ruins, he and his Communist pals haven't any intention of abandoning the idea of world domination. He spelled out that the business of co-existence does not mean the rejection of class warfare. On the contrary, it's a form of class warfare between socialism and capitalism. Indeed, the peaceful co-existence helps class struggle by producing favourable opportunities for development of class warfare in the capitalist countries and the national liberation movement among peoples of colonial and dependent countries.

This peaceful co-existence is really the old Communist anti-imperialism under a new name. Very few people will buy Communism when they understand it. In no case has the Communist government attained power through popular support, save the government of Kerala, and that was very short-lived. In every other case, power was seized through infiltration of labour and by gaining control of the army. Then they stay in control by fear and the menace of the secret police. The very essence of success lies in deception and complete ruthlessness.

I would say when the Members rise to vote on this motion, that they exercise a free vote, rather than vote on party lines. I would suggest that some Members opposite voted against admitting West Germany to NATO a few years back, and if they should support the idea of admitting China and recognizing Red China, we would get an idea of just where their sentiments lie. There is one other factor which we in Canada sometimes forget, and that is the offending of the United States. In recognizing Red China and getting so chummy with the Communists, we run a very great risk of offending that big, friendly brother across to the south of us. After all, whether we like it or not, we depend on the United States in a great many ways, economic, geographic, physical, cultural, and we just simply cannot afford to risk offending the United States by aligning ourselves with the peace fronts and the Chinese Communists. We can't be too ready as Canadians to open our arms to the red side of the world.

Mr. Speaker, I can't support this motion.

Mr. L.P. Coderre (Gravelbourg): — Mr. Speaker, the few of those who have spoken on this motion have given me the opportunity to sort of look back at the few months that I spent in hospital while I was overseas, and I feel that some of the experience that I have gained at that particular time is of some importance in the respect of this motion.

First, Mr. Speaker, I would like to answer what was said by the lady Member for Regina, in her description of the horrors of war. I think it is all the more reason I believe that it would be utmost folly to be without the deterrent equipment just as it was, for our preparation say of gas during the war against Germany. I believe, Mr. Speaker, that if Russia were ever to think that we did not have the weapons to defend ourselves or have weapons for reprisal I am sure that we would be dominated by the Communists today. That has been quite clear and expressed on many, many occasions by Mr. K. himself, on the ideas of dominating the world through the Communist way of life.

There are a few little things I would like to mention in this respect, Mr. Speaker, and I as a veteran feel that having read the "Legionary," there were several articles that had appeared in it which I feel should be brought up to the House, and I would recommend many Members of the House to read it. One of the articles — I won't read all of it, Mr. Speaker, I'll just refer to part of the article and I would suggest that every Member of the House do read them. In order to impress upon the House some of the points that I would like to bring out, I would like, with your permission, Mr. Speaker, to read the odd paragraph. I am quoting from the "Legionary" of June 1959, and it's an article by Mr. Wilson Woodside. He is well known. Mr. Wilson Woodside is a National Director of the United Nations Association of Canada, and a former associate editor of "Saturday Night." Here is a point that I would like to mention from his article, Mr. Speaker:

"Suddenly a lot of talk of neutrality has sprung up in Canada. It isn't really a new sentiment, we've had it before the war. It's been called the policy of non-commitment. Twice in the year following the war MacKenzie King told me with all emphasis in private conversation that a man could make no greater mistake than to commit himself too clearly in advance, yet

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as the cold war set in, I saw his Minister for External Affairs, Louis St. Laurent, rise in the United Nations Assembly to propose that the Atlantic Nations commit themselves to a common defence policy, which evolved into NATO. Ever since then our policy like that of the U.S.A., has been to commit ourselves so clearly in advance that the Soviet leaders could not fool themselves, as the Germans twice did, and think that they have to get away with Europe without our doing anything about it. We keep an air division and an army brigade group in Europe as a physical sign that we are committed. It is notable that there never has been any real opposition to the participation in NATO, whether in parliament in the press or among the public. That is because it is natural for Canada. It gives us an ideal balance between Britain, France and the U.S.A.”

I felt, Mr. Speaker, that it was rather important to bring this point up. Another one, again from Mr. Woodside, this is March 1960, titled: “Why the Russians are Ready to Talk.” Let’s read it and let’s understand it before we go too far. Then I take the “Legionary” of July 1960, where they mention total preparedness at their National Convention. We must be prepared, we must be prepared as we prepare ourselves against diseases and such. Now, I would like to read another paragraph from the “Legionary” of February, 1960.

“An enemy will only fear nuclear retaliation if he is certain that his opponent will unhesitatingly strike back, and if he is convinced that enough of the opposite side’s retaliatory force will in fact, survive an all-out nuclear strike to cause vital damage to his homeland. For it must be remembered that the power to deter is proportionate to the power to strike at any second, in such force as to inflict upon the aggressor, damage beyond a scale which he may be prepared to accept.”

This is one point that was in this article. Another article that I would suggest, and I am not going to read it, Mr. Speaker, because it is quite lengthy, appeared by Mr. Waldren in the “Western Producer,” March 9, 1961. It’s one that should be read well. One that we should take note of here.

“The rise of Hitler during the 30’s provided a striking example of what we mean. During that period of England there were men and women, a minority it is true, but a substantial number nonetheless, who saw with remarkable clarity, what was brewing.”

and he goes on and on.

“The people of Britain, in their unshakable complacency would not listen. They called the people and were notifying the people to be prepared.”

“The masses of the world to be prepared – they were being called as war mongers, for the fact of preparedness.”

“They preferred to believe those who told them that it couldn’t happen, but it did happen.”

I believe, Mr. Speaker, that as we protect ourselves against diseases, I think we should protect ourselves against man-made aggressors, be they nuclear or otherwise. I think if we protect ourselves against the inevitable snow, the rain, and the cold, we should protect ourselves in war. I fully realize, Mr. Speaker, only too well the follies of war, but I still personally see the need of armaments for defence, defence, Mr. Speaker, both internal and external.

I would like to ask many Members of the House, do you know what it means to try to defend yourselves when you haven’t sufficient arms or weapons to do so? I believe, Mr. Speaker, that fire should be fought with fire.

Hon. Mr. Walker: — . . . Fire storms.

Hon. Mr. Nollet: — You had better pass that advice on to the Regina Fire Department.

Mr. Coderre: — I have seen, Mr. Speaker, on the shores of England, the British attempting to defend themselves, trying to deceive the enemy with telephone poles to appear as guns to deceive the enemy from aerial photography, trying to show them that they were defending themselves. I have seen the farmers of Britain, Mr. Speaker, on the shores of England

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with pitchforks and axes, prepared to defend themselves, because they listened to people who said that they shouldn't defend themselves. It was too late Mr. Speaker, quite often.

I've seen, Mr. Speaker, the supreme sacrifice by the few to defend the many; of the air force in England trying to defend themselves, a handful against the mighty and the big. Sometimes I wonder what despair and what hope, were in the hearts of many of the mothers in England, who could see the enemy up there and nothing to defend themselves with. I've seen despair in the eyes of many women and many children, who had lost practically all hope. I have also seen tears in the eyes of mothers who have lost their loved ones. But at least they had one hope of probably meeting in the life thereafter. It's one act of hope, and I sometimes wonder which is the worst to take. I too would agree most whole heartedly Mr. Speaker, in a reduction of defence, but with the wolf at our back door dare we? That wolf is just knocking at our back door. Inadequate defence, Mr. Speaker, oftentimes reminds me of a little fairy tale of the three little pigs. One built the house of straw, and what happened? The big bad wolf came in and ate him. Then the next one built one of wood, and what happened?

Hon. Mr. Brockelbank: — They used bricks.

Mr. Coderre: — Yes bricks. Well today we are out of the houses of bricks, we must have better houses. We must be prepared.

I too, Mr. Speaker, would like to help the under-developed countries to have an opportunity as a nation to practice our Christian virtues of charity. I sometimes ask myself, Mr. Speaker, that defenceless we would have nothing. We could not assist our under-developed countries if we ceased to exist.

I would like to deal with Clause (b) of the motion, Mr. Speaker, refusal of all nuclear weapons on Canadian soil and to Canadians anywhere. As I explained a few moments ago on some of the articles that I have read, that we would unhesitatingly strike back if the enemy was convinced that there was enough on the opposite sides to retaliate. Not just one, but enough. I've been in the field of battle, Mr. Speaker, where we didn't have sufficient weapons; where we didn't have sufficient ammunition at times. I've seen the look of despair of some of the people who were in uniform, and many Members across have seen the same thing. It's

a terrible situation to find yourself when you have the job to do to defend something, and you haven't got the equipment or the necessary tools for defence. Our NATO allies, Mr. Speaker, all those who have seen this overwhelming force of an enemy ravage their country, have seen the need, have asked for the need for a permanent deterrent force to defend their lands, their freedom, our lands and our freedom. They too have asked for something to eat and something to drink and it wasn't there. Are we as Canadians, Mr. Speaker, and I'm speaking of my personal opinion, are we as Canadians going to welch on our promise to them our NATO allies? Are we going to welch on our approach or assure them of some form of freedom?

Clause (c) of the motion, Mr. Speaker, I would whole heartedly probably support. Honest and sincere attempts are being made today by our nation, our country, only it is unfortunate that evil forces are not prepared to let us carry out these attempts of disarmaments. I believe that an honest and sincere attempt is being made on the part of all parties concerned, and a willingness to see that a plan is carried out and is fool-proof. But I say that it shows distrust on the part of the Communists to let the people of the world, or independent commissions thoroughly assure the world that disarmament is taking place. They have denied the right of inspection, and the only arguments they have given, Mr. Speaker, is that it could be used to spy within the country. If there is disarmament there would be no need of spying. What a weak argument. This nation today is the cause that we are not disarming and carrying out our true Christian principles of charity. These nations, Mr. Speaker, who parade to be the friends of the underdogs, would just as soon stab you in the back the moment your defence is down, through their fifth column which is established throughout the world. Other totalitarian governments have taken this same stand in the past by organizing well organized fifth column elements. We have from the iron curtain, Mr. Speaker, the very same organizations throughout this world. Sometimes I wonder, the bullies are only waiting for our moment of weakness to strike. We must never show our weakness. As I said a moment ago, Mr. Speaker, having spent eight months in the hospital and being wounded, I've had a tremendous amount of time to think. I am personally aware, Mr. Speaker, of the need of having peace on earth, but in order to have it we must have deterrents until such time as we all learn to live with our fellow men, not only here but throughout the world.

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I will probably be accused of being a war-monger, but we cannot carry on our rights as Christian people under the present threats. If there is no defence, Mr. Speaker, we are doomed by the force in the hands of unscrupulous totalitarian groups. For that reason, Mr. Speaker, you will notice that in clause (b) recognition to the Government of Communist China. I personally at the moment do not believe that we should recognize Communist China, because they have been quite open in their determination to go out and impress upon the world by force their way of thinking. Until such time as they are prepared to do it in a democratic way, then I'm not prepared to talk to them. Consequently with some of the clauses in this motion that I favour and some that I don't, I cannot in my personal belief go ahead and support such a motion, Mr. Speaker.

Hon. Mr. Nollet (Minister of Agriculture): — Mr. Speaker, I certainly didn't intend to participate in this debate at this particular time, but I do want, at this moment at least, to make some reply to the observations made by the hon. Member from Gravelbourg, and the hon. Member for Souris-Estevan.

The last statement made by the hon. Member for Gravelbourg was to the effect that we as Christian people in order to defend our Christian way of life, must be well armed to do so. I assume that would be accomplished by use of military weapons to be successful in this kind of defence. What could be further from the truth? What could be further from the principles laid down by Christ himself? Did the Apostles run around and arm themselves for defence against their adversaries? No they didn't, they were promoting a philosophy of human brotherhood and love as a means of survival, not only individually but for mankind as a whole. This has been the struggle throughout the centuries ever since the dawn of human history as far as I can see. This I want to suggest to this House is the road to human survival, I don't care to pursue this today. This I think is an important debate and I hope to adjourn it, but before doing so I would like to suggest to this House, Mr. Speaker, that there are other alternative methods of defence against what we term Communism, and that of all the methods of defence that we could employ that would spell failure, it is in the field of military weapons, Mr. Speaker.

I feel very keenly about this, Mr. Speaker, particularly in view of the fact that in the next conflict there will be no survival for anyone. Everyone acknowledges that. And why people persist in these old outdated arguments against the principle of disarmament in light of modern circumstances; I have great difficulty in understanding why we still talk about defence in terms of nuclear weapons when this is not possible any more. I too am as much concerned about human suffering as everyone else is, and that we must by all means avoid human suffering. We must by all means avoid military conflict and destruction. I believe, Mr. Speaker, that the principles that we stand for, the principles of Christianity, and principles that are basic to our way of life are good and that if we believe in these principles we can best promote them, not through war, but through peace. I feel that the struggle against Communism is going to be settled, not in war, but in peace. These are the arguments that I would like to expand upon a bit later on in the debate in this House, and I therefore move the adjournment of this debate.

The debate was, on motion of the Hon. Mr. Nollet, adjourned.

ADJOURNED DEBATE ON MOTION RE PURPLE TAX FREE GAS (Mr. D.T. McFarlane)

Mr. F.A. Dewhurst (Wadena): — Mr. Speaker, I would like to spend a few minutes this afternoon in reply to some of the statements which were made when this resolution appeared on the floor of this House two weeks or more ago. It was on the last day of February when this resolution was first moved and spoken to.

Now I realize, Mr. Speaker, that in order to answer some of the statements that were made at that time in the debate, if you had to look just at the words of the resolution on the Order Paper, and then listen to what I say, you might think at times I was out of order. But I will try and relate my discussions either directly to the resolution, and to the statements which were made at that time. The statements were made that the economic position of the farmers after seventeen years of CCF were getting worse all the time. Well now I would like to point out a few of the things that have been done over the past seventeen years by this Legislature

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to bring a little more security to the farmers in this province. I would also like to point out some of the reasons why security hasn't been attained as it should have been by the farmers of this province.

In the first place, we have the seed grain cancellation which was taken off the backs of the farmers of this province by this Government in the first term of office between 1944-1948.

Mr. Danielson: — Tell us another one. Tell us another one.

Mr. Dewhurst: — I'll tell you a few more yet. In 1944, when this Government came to office, there were seed grain and relief debts, some of them dating back as far as 1917, and a few smaller accounts I believe even older than that, and including the 1937-38 seed grain debt, which was riding on the backs of the people of this province. The farmers of this province, in order to get the seed grain for 1938, had to have their loans guaranteed by the municipalities. The municipalities in turn had to have a guarantee by the Provincial Government before the banks would put up this money. In turn, the Federal Government had to guarantee the province's credit, because as has been stated in this House on many occasions, this province from 1932 up until after 1944 wasn't able to borrow a dollar of money on its own credit, so they had to have the backing of the Federal Government. Now after this Government was elected, one of the promises that was made in 1944, was that something would be done about the seed grain debt. And, this Government cancelled \$30,368,000 in seed grain debts, including from 1934 to the 1937-1938 grains. And, in addition to that, they paid back to these farmers who had paid off in the whole their 1938 seed grain debt, 50% of the amount he had paid to municipalities, so that they would have the same benefits of the policy which was enjoyed by the farmers who hadn't paid up until that time. So in addition to the \$30.3 million which was paid by the Treasury, another \$1,666,000 was paid in reimbursements, so there was a total of over \$32 million under one Act of this Legislature when that settlement was arranged.

One other thing that this Legislature did to bring security to the farmers was to put on the statute books of this province the Farm Security Act, of which I may say, every Member of the Opposition present and voting, voted against the Farm Security Act in 1944.

I have right here the Journals and the Statutes for 1944 showing the Farm Security Act, and what date it was passed, and the recorded vote on it. The Farm Security Act, was assented to on November 10th, 1944 and every Liberal Member that was in the House voted against that Farm Security Act, on a recorded vote. So, that is how we find that some of our friends opposite talk for security to farmers but when the chips are down, vote against them.

Now, some of the reasons why we haven't had economic security over the past number of years for the farmers has been due to the inflated costs of agricultural production.

The costs of agricultural production have continued to go up and up and up all the time over the past number of years, and it is no wonder that the farmers cannot keep up with the cost of production when the price which they obtain for their farm products is going down and down. As an example, back in the latter forties, when price controls were removed, the combine, one of the best made self-propelled combines of that day, cost less than \$3,000. Today, that same combine, a comparable combine, would cost around \$8,000. If you get the largest, best made self-propelled combine today, it will cost you over \$10,000. But what does that mean in terms of taxation to the farmer. If a farmer, farming land with an assessment of \$10,000, bought himself a self-propelled combine back in 1946-47, it would mean an additional taxation on his land, if he averaged the cost of the combine over a ten year period, of thirty mills of taxation for ten years, or three hundred mills if he paid it in one year. That's what it amounted to if his land was paying for it. But now, the same combine, \$8,000 would be eighty mills per year for ten years, or eight hundred mills for one year. In other words, an increased cost of fifty mills of taxation for that piece of equipment on the farmer's land. And, at the same time, we find that the returns of the farmer have been going down, while his costs have been going up.

In 1945-1946, the average price for the bushel of wheat in Saskatchewan was \$1.64 a bushel. In 1949, it had gone up to \$1.61 per bushel. But for 1958-1959, the same quality of wheat was only worth \$1.29 per bushel, yet everything else was going up. Oats tell somewhat the same story. In 1945, they were 50¢ a bushel. In

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1949, 74¢ a bushel, but by 1958 it was only 51¢. Barley in 1945, 65¢. In 1949, \$1.28, and by 1958 it was 77¢.

So you can see, Mr. Speaker, that due to the Federal Fiscal Agricultural policies, the farmer has not been getting his fair share of the national income, and that is why he is hard up. It's not the matter of whether he can use tax-free gas in his truck, or whether he doesn't. That isn't what's causing him his difficulty.

Even if the figures were true, which were stated here some two weeks ago, that the average was oh, some \$90 per farm that he would save if he could burn tax-free gas, even if it were \$100 per farm that they would save at the end of the year, the average farmer would save at the end of the year, the average farmer of this province, if you or I, Mr. Speaker, or someone else had to go to them and say that we realize that you've paid a little more on gas tax than you should have, here's a hundred dollars back, would that farmer be well off? I'm sure he wouldn't. The farmers would still be hard up. That \$100 is neither here nor there, in the salvation of the farmer. What the farmer has to have is some security whereby he can get back for himself a fair share of the national income and a fair share of the cost of production.

Now, another statement that was made was that we should put more purchasing power in the hands of the farmer. Well, Mr. Speaker, it was not so very long ago, in this Legislature, that a resolution had been moved, not by this side of the House, Mr. Speaker, but it was moved by the Member from Gravelbourg, asking this Assembly recommend to the Government of Canada, that some means be devised whereby the Canadian Wheat Board will receive for distribution a sum not less than \$2.10 per bushel of wheat sold for human consumption in Canada. That resolution was moved by the Member for Gravelbourg. We on this side of the House did not quarrel with that motion. He moved his motion. The Member for Rosthern at that time moved an amendment, asking that the . . .

Mr. McFarlane: — Mr. Speaker, I want to report that the hon. Member is not speaking to this resolution. I wasn't allowed to mention anything beyond the budget, or any other debate of this House.

Mr. Speaker: — This is a former Session.

Mr. Dewhurst: — And you were all aware of that fact, Mr. Speaker, the Member for Rosthern of that day Mr. Elias, moved an amendment. He said that the \$2.10 may or may not be a parity price, but he wanted the Canadian Government to give a parity price, but he wanted the Canadian Government to give a parity price for the first thousand bushels delivered from each farm by each farmer. Then, the former Member for Bengough and myself moved a sub-amendment. We did not delete one word from the original motion which was put before the House by the Member for Gravelbourg, or the amendment thereto by the Member from Rosthern. We just added to it. We added these words to the end:

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

The debate continued on the motion, the amendment and the amendment to the amendment and the recorded vote showed, Mr. Speaker, that every Member in the Opposition, the three Social Creditors who were present that day and every Member of the Liberal Party, voted against the sub-amendment by Mr. Brown and myself, asking for a fair price that will bear a parity relationship to the farmers' cost of production.

We weren't too much amazed and surprised that they had voted against our sub-amendment, but what did amaze me, Mr. Speaker, was they not only voted against our sub-amendment asking for a parity price, but everyone to your left that day, Mr. Speaker, voted against the amendment which was moved by the Member for Rosthern. We on this side of the House voted for it because we thought the farmer should have at least a parity price on the part that was used in Canada. But then when the vote came on the motion which was moved by the Member for Gravelbourg himself, every Liberal in the House voted against the motion. So that is the way, Mr. Speaker, they talk about trying to bring more purchasing power to the hands of the farmer, but when the test come up they vote against it.

Now, they say that taxes are too high in Saskatchewan, and that some help should be given to these tax costs. Well, I have here too the statistics for the farm taxes on land owned by the farmers from 1945 to 1950.

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And it is true that there has been some increase in taxes, Mr. Speaker. It's true that taxes have gone up. But taxes have gone up less by proportion, than the other costs of the farmers' production. His combine, his tractor, and his repairs have gone up to a greater extent than have his farm taxes. About the only thing over the past number of years that hasn't gone up too excessively when you consider the rest of the economy, has been the farm fuel which the farmer uses in his tractors. So, it is plain to be seen that we have been taking steps to keep down the cost of production where we had the control of it.

Another thing that we have done in this province to help to bring down the cost of the farmers' prices, is that we removed the education tax on farm fuel which had to be paid prior to those who sit to your right now, Mr. Speaker, having become the Government. We removed the education tax on farm machinery; also, the education tax on second-hand goods, used cars and used trucks, was removed by this Government which included not only second-hand farm equipment, but prior to this, when you went to an auction sale, if you bought a box of junk with a few old broken down horse collars in it, or an old axe with no handle on it, you still had to pay the education tax. That was all removed.

In addition to that, some nine years ago now, we removed the public revenue tax, which was another saving to our farmers of this province. So, those are some of the things which we have done to help the farmers of this province.

Now, the resolution says that if the necessity for farmers to have to use taxable gas was removed, and give them direct use of purple gas, it would be so much more handier and economic for the farmers. We've been asked to bring in Legislation on this side of the House to do the same for the farmers here as what has been done in Alberta. Well, I took the trouble to go into the library and search the Alberta Statutes, and then I also got the copies of the Alberta Gazette, which brings down the Rules and Regulations under which the Alberta legislation was issued, and as to how it applies to the farmers. And, I have read this very carefully and I have had others check it along with me, and the best I can make out of it, is that a farmer can only haul his own products. He cannot haul products for anyone else other than what's produced on his own farm.

In this province here you can haul, not only your own products, but you can use your farm truck under a farm truck license to haul, for compensation, from other farmers or from municipalities or other given lines. And, I will not take the time to read all these lists of the different things, Mr. Speaker, but I'm sure that any Member who wants to find out what they are, he just needs to get one of the application forms for a farm truck license, and look on the back side of this sheet, and you will find a number of items which can be hauled by farm truck licenses of this province, and receive compensation. In Alberta that cannot be done. You must only haul for the products that you produce on your own farm.

But, even assuming that we gave the truck owners the right to haul their own products here, as they do in Alberta, or even assuming that we gave them the same right to haul the same things then as we now have, would it still be fair? Some of the farmers have an old truck. They can't go very far. You couldn't get them to haul produce for hire. What about the farmer who has no truck at all? He has a car. Should his car then because that's the only vehicle he has, be allowed to use purple gas? And, if you allow it for the farm trucks, what about the "C" license in the towns and cities, some of the "C" licenses that never go any more than ten to fifteen miles away from their base? Some of them travel very little, if any, on the public highways. They stay on the streets and lanes of the towns or cities.

We could just create a lot of hard feelings among the farmers and the urban dwellers, and I say, Mr. Speaker, that as a farmer of this province, we are not out asking for a charity handout that way. We have fought and will still fight for a fair share of the national income, so that as John Diefenbaker himself said, the farmers should have parity and not charity. These are the things that we should have for the farmers of this province, and as for the purple gas, to just remove the necessity for the farmers to use taxable gas, doesn't do those things.

Mr. McFarlane: — It helps a lot.

Mr. Dewhurst: — It doesn't accomplish the object of bringing any equality or security to the farmers.

I might say too, Mr. Speaker, that with this purple gas that is used today in the province, I can assure

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the Legislature that there is no acme dye companies which are selling the purple gas to the Provincial Treasurer for the gas of this province, nor is there any political party reaping great income through the sale of purple dye.

Now, Mr. Speaker, there is a lot more that I could say on this resolution but I don't want to stray from the resolution and I will not answer any further of the comments at this time, that were raised by the Members to your left, but I will say that I'm going to continue to fight, not for a petty little handout like this that would cause trouble and dissension among all of our societies, but fight for a fair share of the national income for our farmers, because after all, the farmers should have the right to enjoy the same standard of living as any other occupations or calling in this Dominion. I shall not support the motion.

Mr. McFarlane: — Mr. Speaker . . .

Mr. Speaker: — I must inform the Members that the hon. Member as mover of the motion is now closing the debate. Anyone who wishes to speak must do so now.

Hon. Mr. Brockelbank (Minister of Mineral Resources): — Mr. Speaker, my speech will be very short, but I just wanted to give to the House the reason why I will vote against the motion. I do not consider that the people of my Constituency elected me for the purpose of helping to keep the promises made by the Liberals last June. I wasn't for it then and I'm not for it now.

Mr. D.T. McFarlane (Qu'Appelle-Wolseley): — Mr. Speaker, there were a few statements made by the first speaker on this resolution this afternoon that I would like to take issue with. I'm not going to bother very much with the statement by the last speaker, because I know that if there was anything that would be in the interests of the farmers, regardless of whether it is to help the Liberal Party, or the farmers back home, he naturally would oppose it. He engaged in a vicious personal attack to try and lead public opinion otherwise on this matter.

I was very interested in some of the remarks made by the Member for Wadena, who I am sure is a farm Member, representing a rural Constituency. He talked about the amount of seed grain debt that had been written off by his Government. He didn't go into conditions leading up to that situation, in those years. I am not going to go into them now. At this time, I would like to point out that the Federal Liberal Government wrote off an amount of some \$87 million to try and help the farmers to recover from that disastrous period of drought and economic conditions in the 1930's. And, when that which included the revenue from the municipalities . . .

Mr. Speaker: — Order!

Mr. McFarlane: — . . . farmers, I'm only going to go back to last year, the most recent year when the farmers of this province really suffered under economic conditions due to crops unharvested under snow, I would point out to him, that when his Government saw fit to try and do something for the farmers, that first thing they tried to do was to try and set up the most severe means test that any group of farmers in the province ever had to pass at any time, in order to qualify for a mere pittance of help. I have stated before, the relief orders and the amount of money that the previous Liberal Government had to spend . . .

Mr. Dewhurst: — Mr. Speaker, on a point of order, can the mover bring in new topics that weren't discussed by the speaker in closing the debate.

Mr. Speaker: — I believe that is quite true.

Mr. McFarlane: — Are you referring to the amount of money that was spent by the Federal Government?

Mr. Dewhurst: — I referred to the Provincial amount only, Mr. Speaker. I made clear that this was by this province, and I have the dates for each right amount.

Mr. McFarlane: — I just want to point out that all that your Government, the Government that you represent, saw fit to give to the farmers last year when they were really hard pressed was a paltry \$3 million. And, because of that, after

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the policy was instituted 544 more farmers who had applied for help, were refused the same.

Then he goes on to say, with regard to his statement that his Government cancelled education tax on used cars, that there's no longer education tax on cars. Well I would suggest to him that he go down to the eastern part of the province, to some of the farmers there that buy a car in Manitoba, and see if they have their education tax cancelled on the second hand cars. And then I suggest the most ridiculous statement of all was this: He said "what would happen if the farmer had a truck, and if the farmer was allowed to use purple gas in the farm truck? What would happen to a farmer who only had a private car?" Well I would like to remind the Member, that in Saskatchewan today, there are 87,542 farm trucks, and I believe that if you were to check on the number of farm units in the province today, the estimated figures, would come around 80,000 or 90,000 farm units. So if that is the policy of this Government to discriminate against the 87,542 persons, or thereabouts, I would suggest his is a most ridiculous comparison.

Hon. Mr. Nollet: — May I ask the hon. Member the source of his information on 87,000 trucks?

Mr. McFarlane: — In the votes and proceedings, the question was asked "How many farm trucks or vehicles were registered in Saskatchewan in 1959?" The answer is 87,543. Now if this information is wrong then I suggest to the Minister in charge . . .

Hon. Mr. Walker: — Some farmers have two trucks and some have three.

Mr. McFarlane: — As I was pointing out, I mentioned that Mr. Speaker, it seems to be the old line of defence taken by the Members to your right. Every time this subject is brought up in this House "trying to improve the lot of the farmers", they almost without exception get up and say that we're creating two separate classes of people. I want again to mention some of the things that took place in other debates, but I will have a chance to do that later. But every time in this House when we have asked some of you to help the farmers, you said you would be creating two classes of people. I would suggest to them in all sincerity that it's about time that they realized that the farmers in the province are the backbone of the economic

prosperity of this province. As soon as they recognize the plights of the farmers, and as soon as they bring down some constructive and practical policies to help the economic status of the farmer, the sooner this province is going to be in better shape for all the people concerned, and then maybe when this is done, instead of a government trying to legislate prosperity to the benefit of all concerned, then the people will be in a position to look after their own affairs better, and may be able to carry a government program of increased spending.

Mr. Speaker, because I introduced this motion, and because my colleagues feel, because I know the farmers of the province feel that if this motion was accepted by all Members of the House, it certainly doesn't solve all the economic problems of the farmer, but it would at least help in reducing his cost of production, I suggest to every Member that in the interests of agriculture in Saskatchewan, each one support this resolution.

The question being put, it was negative on recorded division 14 to 30.

Yeas – 14

Messieurs

Thatcher	McFarlane	Horsman
Barrie	Gardiner	Coderre
McDonald	Foley	Snedker
Danielson	Boldt	Coderre
Cameron	Klein	

Nays – 30

Messieurs

Dewhurst	Brown	Johnson
Williams	Thurston	Meakes
Brockelbank	Blakeney	Thiessen
Lloyd	Erb	Snyder
Walker	Turnbull	Stevens
Nollet	Stone	Kluzak
Kuziak	Whelan	Dahlman
Cooper (Mrs.)	Thibault	Semchuk
Davies	Berezowsky	Perkins
Willis	Kramer	Brotten

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Point of Order regarding the admissibility of Mr. Klein's amendment to Mr. Whelan's motion on unemployment.

The Orders of the Day having been called for resuming the adjourned debate on Mr. Whelan's motion on unemployment, and the proposed amendment thereto by Mr. Klein.

RULING ON PROPOSED AMENDMENT

Mr. Speaker: — Before we proceed with this motion, I must draw to the attention of the Assembly that there was before the House at the adjournment of the debate on this motion, an amendment proposed by Mr. Klein, that the word "Government" in the third line be deleted and the words "and Provincial Governments to take under consideration action" be substituted therefor; and the word "provinces" be deleted in part (b), and the words "junior governments" be substituted therefor.

At that time, I did not make a ruling as to the admissibility of this amendment, but since that time I have given the matter a good deal of consideration, and I find it is a very difficult decision to make. I had thought that the better time for discussing this motion might be under the budget debate, where the finances of the province were under consideration, but whether or not that were so it still does not preclude the discussion of these things under a separate motion. Even if these things had been discussed in the budget debate it would not, I feel, preclude an amendment of this kind.

There is a question, however, that does come to my mind, in regard to it. We have in this motion a discussion of various things; which are urged for the attention of the Federal Government, which is one distinct class of matters for discussion. Now, this amendment proposes to add to that consideration of the same matters by the Provincial Government. It is a rule which must be observed, that an amendment which brings up something which could best be considered as a substantive motion in its own right, cannot be admitted as an amendment. I would like to have some guidance from the Assembly at this time on how the hon. Members feel as to whether this amendment should be allowed as an amendment, or whether it should better be considered as a substantive motion in its own right.

Hon. Mr. Lloyd (Provincial Treasurer): — Mr. Speaker, on the point of order, on the question which you have raised with the Assembly. It seems to me that your reasoning as to the desirability of separating the references to the two Governments is sound. The resolution as originally introduced was directed as a series of requests to the Federal Government. Introducing the Provincial Government not only amends, but to some extent changes the character of the original resolution. It seems to me that it certainly would simplify things if they could be discussed separately, rather than to try and discuss the two in the same resolution.

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, I would just like to say that this is a most difficult decision for you to make. However, I would like to point out the reason that we think the amendment is in order. As you know, discussions from time to time in this House and elsewhere, have suggested that the Government of Canada should so handle the financial affairs of our nation, so that we could prevent inflation, in times of buoyancy and full employment, and create circumstances so we could create full employment in times of recession. Because the Government of Canada, until recently, has had the power to exercise this privilege unto themselves, then under those conditions, the amendment to the resolution might be better considered by itself. In view of the circumstances, we find ourselves today in a position where the provinces have been granted the authority to enter certain tax fields, it makes it almost imperative for Federal and Provincial Governments to co-operate together if they are going to control the economy of Canada.

I suggest, Mr. Speaker, no longer should we look to any one government as having the power to control our economic destinies. We must look to Provincial Governments across Canada in co-operation with the Federal Government. Therefore, I would suggest to you, that in light of these circumstances that the amendment would be in order, because it would not be possible for either Provincial Governments independently or the Federal Government independently to do what the resolution asks to be done, and therefore I suggest to you, that in view of these circumstances the amendment would be in order.

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Mr. A.C. Cameron (Maple Creek): — Mr. Speaker, on the point of order, might I point out to you, that in motion #3 on page 2, it follows the same line of thought in that the exemptions to be rescinded at the end of the current crop year, that in co-operation with the Provincial Governments concerned a more practical solution be found to any problem that may be involved. This resolution was readily accepted. I think that there is a joint relationship between Dominion and Provincial undertakings. It's hard to draw the line between what is strictly federal and what is strictly provincial, because we have co-operation today between the Federal Government and the Provincial Government in regards to highways. The joint undertaking of the Trans-Canada. The joint undertaking of power plants, such as the South Saskatchewan River development. I think they are closely allied. They are inter-woven, and I would submit in my opinion that what is applicable to motion 3 on page 2, would be equally applicable to this motion here.

Hon. Mr. Lloyd (Provincial Treasurer): — Mr. Speaker, may I just comment further. May I point out that first of all the Member for Moosomin is not quite accurate when he suggests that certain powers have been given to Provincial Governments in recent events which they did not previously have. This of course, has not as yet come to pass. We have no powers today that we did not have yesterday or last week, or last year. Secondly, may I say that even when the situation to which he refers comes to pass, it does not in any sense dilute the power, either political or economic, of the Federal Government if it so wants to assert it. I think the difference in the two resolutions to which the Member from Moosomin has referred, is that in the resolution under No. 3, the subject to the resolution under No. 3, there is indeed concurrent legislation necessary in regard to this particular field. As a result it must be considered as joint provincial and federal. This is certainly not true in the case of the resolution before us here.

Mr. Karl Klein (Notukeu-Willowbunch): — Mr. Speaker, the fact that the winter works program was instituted to help alleviate unemployment, and that it would be the joint responsibility of Federal

and Provincial Governments, and therefore if you are going to discuss unemployment both these agencies must be brought into the discussion and assure joint responsibility.

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, I do not desire to make a debate out of this, but I cannot concur with the remarks of the Provincial Treasurer. It is quite true that this suggestion should not be implemented at the moment, but I think that we all agree in this House, that it looks very much like it might be. I want to point out that unless you have co-operation between your senior and junior governments I would suggest that the Federal Government no longer have control, because it's quite possible to have your Federal Government going in one direction offsetting inflation, and have your province go in the opposite direction because there is a provincial election on. Unless . . .

Hon. Mr. Brockelbank: — On a point of order. Your remarks . . .

Mr. Speaker: — Continue on a point of order.

Hon. Mr. Brockelbank: — He sure strays from the point of order.

Mr. A.H. McDonald: — Unless you have co-operation and joint effort then the whole purpose of government is being destroyed, both Provincial and Federal.

Mr. G. Herman Danielson (Arm River): — Mr. Speaker, I would like to say a few words. This resolution has to do with employment or the remedy for unemployment, and I can't understand how you could deal with that problem without taking in the two bodies of government who are interested in unemployment. We have in the province today hundreds and hundreds of projects that were undertaken by joint efforts by the Dominion and the province, and the municipalities. It says here,

“this Assembly regrets that unemployment in Canada has reached the highest level since the 1930's, and urges the Federal Government to provide a substantial contribution to assist in

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the construction of highways, schools, power plants and power lines, telephone facilities, and similar development projects. Provide for low interest rates to the provinces undertaking such projects as housing and hospital construction. To undertake a long range economic planning to guarantee the maintenance of full employment in Canada.”

I can't possibly see how you can deal with this matter intelligently, when the two governments are co-operating, and the municipalities are also tied up in this plan, and this is what they ask for. What they really ask for in this resolution is an extension of that plan, which is now in effect, and I think it's all right.

Mr. Speaker: — I would thank the Members for their assistance in this matter, and if the House would be good enough to have this Order stand I shall be prepared to rule on the amendment the next time it is called.

Hon. Members: — Agreed.

The Assembly resumed the adjourned debate on the proposed motion of Mr. MacDougall re the Abolition of the Mineral Tax on Farm Land.

Mr. Arthur Kluzak (Shaunavon): — Mr. Speaker, I would like to comment briefly on this resolution which calls for abolishing the 3% an acre mineral tax which would reduce the farmer's cost of production, and thereby make his operation more economical. I am particularly surprised that this resolution comes from the Member from Souris-Estevan, where there has been a great deal of oil development and mineral rights that must be of real value. I don't know what occupation the hon. Member follows, but it's quite evident that he's not a farmer, and certainly not a financial wizard when he suggests that a tax of \$4.80 on a quarter of land would have any appreciable value as to a farmer's cost of production. Certainly a farmer's cost of production today is very high and this small amount of money, I'm sure, would make no difference in the final analysis in the year.

The Member for Saltcoats, I believe, got quite mixed up in the script that had been prepared for him by

the ghost writer when he spoke on the resolution the other day. I know that he spends a lot of time on dissecting the script, because he has hardly been in his seat long enough to have warmed it up yet. However, he suggested that he would rather not have the mineral rights than pay the tax. Then he went on to say that they were of no value but that the farmers wanted them, but didn't want to pay the tax. Then he finished up by saying that the farmers that sold these rights should have had several times as much money for them as they received. I would say that he was really confused. I would guess that the ghost writer of the script was probably a shareholder in the C.P.R. or Hudson Bay Company, and probably that's whose interest he was looking after.

Mr. Cameron: — What are you reading from?

Mr. Kluzak: — Much of the area that I represent had been homesteaded in 1907-08 and 1909, and many of these homesteaders went a hundred miles and further from the railway to take up this land, and for a good many years they remained that distance, in fact, it was eight years later that they got a railroad within fifty miles, and they remained that distance for quite a number of years. They really went through a lot of hardship pioneering in that area, and when they proved up their homestead they didn't get any mineral rights with them. However, later on in the twenties when they purchased some of the Hudson Bay land, it was quite clearly defined in the contract and in the deed that the mineral rights remain in the name of the Hudson Bay Company. I don't know what the Hudson Bay Company contributed to the pioneering of that area. I'm sure it wasn't very much and I see no reason why they should be holding mineral rights at no cost to them.

Mr. Thatcher: — Farm lands . . .

Mr. Kluzak: — The Hudson Bay Company and the C.P.R. own the greater part of the mineral rights in question.

Mr. Thatcher: — No, they are excluded under this motion.

Mr. Speaker: — Order!

Mr. Kluzak: — I would suggest that there are many other ways that farmers could be induced in saving several times this amount of money and that would be through the patronage of co-operatives

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which many of the Members of the Opposition are very much against. They have protested very vigorously against the patronage of co-operatives in some of the meetings that we have had, particularly the mover of the resolution and the hon. Member for Yorkton. In fact, he was going to execute not only the Department of Co-operation but the Minister as well, when he spoke on this Department. I would like to give you an instance on how farmers can make savings on patronizing co-operatives. For instance, the farmer who delivers his quota of grain say seven bushels to the acre to the Pool Elevator, which has over the years paid dividends of 3¢ a bushel, would receive a cheque or a patronage dividend of 21¢ an acre or \$33.60 on a quarter of land. Now, this is seven times the amount of this tax, and the Opposition of course, don't believe in this type of patronage. I would dare say that if I paid \$1.00 for every membership card that they have in the co-operatives, that I could buy them all for \$5.00, the way it sounds at some of these meetings.

Mr. McDonald: — I bet you I've got more than you have.

Mr. Kluzak: — There are also the savings the farmers are making by buying the Saskatchewan Government Automobile Insurance, which amounts to a great deal more than this tax, and this is also something that the hon. friends across the way would like to throw into the fire. So I would suggest that the mineral rights and the surface rights have no bearing on each other. The farmers who are paying taxes on mineral rights certainly have no bearing to the surface rights in connection with their farming, and therefore, I cannot support this resolution.

Hon. Mr. Nollet (Minister of Agriculture): — Mr. Speaker, I just want to make one observation, and the point was raised by the hon. Leader of the Opposition when he said that this resolution only deals with the farmers. Well, I can recall when this tax was first introduced, and I think that all hon. Members will agree that there are companies in this province who received large grants of land, the Hudson Bay and the C.P.R. and had the mineral rights granted with the title. It was thought at that time that these companies ought to pay some tax on these lands. When the question of law was considered, it was then determined that a tax cannot be discriminatory. For example you couldn't apply the tax to the company lands alone, but we had to apply the tax on the farm lands as well, that is on mineral rights

owned by individual farmers, and this resolution, if passed, could not be implemented unless an exception was granted to all the other large mineral owners as well, the Hudson Bay, C.P.R. and the C.N.R. is one too, the C.P.R. more particularly, this is the weakness of the amendment and of this particular motion. Furthermore, the other weakness is, as has already been pointed out, this might be of some benefit if exemption of farm owned land could be implemented legally to the farmers concerned, but it certainly wouldn't benefit at all, the great number of farmers who don't own their mineral rights, Mr. Speaker.

Mr. A.C. Cameron (Maple Creek): — If the Minister is finished. I thought he was finished when he sat down, but apparently he wasn't.

I only want to say a very few words in regard to the resolution which seems to be a perennial one. I was rather amazed at the Minister of Agriculture's concern for the Hudson Bay and the C.P.R., and the big landowners. He said it would be discriminatory, and we can't have discriminatory legislation here. In view of the statements that have been made to the House, I thought it was rather exceptional that someone said the other day if you do that you will be setting up a privileged class. I presume by that they meant that these farmers, when they were relieved of the burden of paying these taxes, would then become a privileged class. I thought it was rather strange thinking. I can recall a year or two back when we asked why the Government didn't purchase butter in place of margarine, and the Minister at that time said that margarine was cheaper, and therefore they weren't going to subsidize the farmer. Now I wonder who are you discriminating against? Let's get the record straight when we come to discrimination. The only ones I can see that are being discriminated against are these farmers who have no choice in the matter at all. Then they go on and say it's so very insignificant, it's only \$4.80 a quarter, it doesn't mean anything to the farmer, why should we tamper with the legislation now when it's such an insignificant amount.

Mr. Berezowsky: — \$800,000.

Mr. Cameron: — How much?

Mr. Berezowsky: — \$800,000.

Mr. Cameron: — Well, do you think that's insignificant?

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Mr. Speaker: — Order! Order!

Mr. Cameron: — He thinks that it's very insignificant; the Member from Shaunavon says it's a very insignificant amount. I suggest that these two Members get together and decide whether it's significant or not.

Mr. Speaker: — Order! Order!

Mr. Cameron: — Here is an answer to a question — I think the Minister said that you had better find out whether it's significant. "What was the total revenue from the mineral tax in the fiscal year 1959-60?" Answer is \$1,387,511.62. This includes the production tax as well as acreage tax. "What is the total amount of arrears in payment owing by provision of the above tax?" Arrears to January 31st, 1961, including arrears under production tax as well as the acreage tax was \$402,311.70. As the Minister for Mineral Resources points out, the great bulk of this \$1,387 million odd, comes from the landowners that the present Minister of Agriculture was concerned about, the Hudson Bay and the C.P.R. So if you exempted these farmers from it . . .

Hon. Mr. Nollet: — Mr. Speaker, I want to point out to the hon. Member, and I don't think he . . .

Mr. Speaker: — Order! Has the hon. Member a point of order or privilege? If you have a question I think it can be . . .

Mr. Cameron: — He's just got an interruption.

Hon. Mr. Nollet: — Mr. Speaker, on a question of privilege. The hon. Member I think has misinterpreted my meaning entirely.

Mr. Speaker: — Order! Order! If the hon. Member could bring in a statement of that kind or a correction of that kind at the close of the hon. Member's speech it would be very acceptable.

Mr. Cameron: — All I did, Mr. Speaker, was remark on the Minister for Agriculture's sympathy for the Hudson Bay and the C.P.R., on the one hand, and supporting the other Member who said it would be discriminatory on the other to remove it from

the farmers and not from these others.

Hon. Mr. Lloyd: — What the hon. Member did was to misquote the Minister of Agriculture . . .

Mr. Speaker: — Order! Could we have the point of order?

Hon. Mr. Lloyd: — On the point of order that the Minister for Agriculture raised, Mr. Speaker, it was simply that the Member now speaking has misquoted him. This was the point of order.

Mr. Speaker: — I understand from my perusal of the rule books, that a misquotation is not actually a point of order, but can be raised at the time with the consent of the Member who is speaking, or otherwise when the hon. Member sits down. I don't think it's exactly a point of order.

Mr. Cameron: — Mr. Speaker, I intended to speak only two minutes, but I've had eight minutes of interruptions, and I'm afraid to get my message across again it would be necessary for me to summarize it. I agree that \$4.80 is an insignificant amount. I agree that if you remove the tax it would be an insignificant amount so far as the revenues of the province are concerned, but I don't agree that it would be discrimination against the Hudson Bay and the C.P.R. I think that if we remove this tax we will remove the discrimination against the farmer and the farmers only. For that reason, I'm going to support it.

Hon. Mr. Nollet (Minister of Agriculture): — Mr. Speaker, before we close may I make my position clear. Here is the point which I meant to make, Mr. Speaker. Taxes cannot discriminate. If you tax the big corporation you must also tax people in similar positions, the small farmers. This is the point I wanted to make, according to law, and certainly I want to make it clear that I have no favoritism at all for the Hudson Bay or the C.P.R., these people ought to be taxed but to do so one would also have to tax the farmer as well.

Mr. Speaker: — The hon. Member can clear up a misrepresentation, but he cannot produce any new material.

Mr. Cameron: — Well I wish to thank him, Mr.

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Speaker, he made his position even more clear.

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

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

Hon. Mr. Blakeney (Minister of Education): — Mr. Speaker, I want to say a few words on the motion of the hon. Member from Souris-Estevan, and my remarks have been precipitated by some of the debate which we heard earlier.

The Minister of Agriculture expressed the view that no tax on minerals, which was on a per acre basis, could be validly waived for farmers and at the same time apply to other landowners. The Member for Maple Creek apparently took issue with this view. He apparently felt that it was quite possible to discriminate in a taxing statute in this way, and to levy a tax on the Hudson Bay Company, and Canadian Pacific Railway, but to waive this tax in respect of farmers — this acreage mineral tax.

I want to say, Mr. Speaker, that I agree with the view of the law stated by the Minister of Agriculture and disagree with the view of the law stated by the Member for Maple Creek. I think the Minister of Agriculture was correct when he said that a mineral tax which applied solely to certain classes of mineral owners, such as incorporated companies, or the Hudson Bay Company and the C.P.R., but purported to exempt in some manner farmers, would not be upheld by the courts. With this in mind, I think we can look at this resolution with a new light in our eyes.

Who pays the mineral tax which the hon. Members opposite would like to see abolished? Well, we know that one of the big taxpayers is the Hudson Bay Company. The Hudson Bay Company has sold hundreds of thousands of acres in this province, and have retained the mineral rights thereon. Similarly the Canadian Pacific Railway has sold many thousands of acres and has retained the mineral rights thereon — certainly hundreds of thousands of acres. There are of course, a fair number of acres of mineral rights held by farmers as such, but it will be known to you, Mr. Speaker, and to all

Members of this House, that in a large number of cases these mineral rights are leased to oil companies. And when they are leased to oil companies, the standard form of lease, which is almost universal in this respect, provides that the oil company will pay 7/8 of the mineral tax. Therefore, when they are leased to an oil company, the amount paid by the farmer is not \$4.80 a quarter, but 60¢ a quarter – 1/8 – and it is in order to save the farmer 60¢ per annum per quarter section – that this resolution is on the Order Paper. But having regard to the fact, Mr. Speaker, that a large amount of the tax is paid by the Hudson Bay Company, a further large amount by the Canadian Pacific Railway, and probably the bulk of the tax by oil companies who have leases on freehold mineral rights, I think we can easily appreciate what group of people this particular resolution would benefit, and what group of people it would not benefit. With this in mind, Mr. Speaker, I think that we can rephrase the resolution and say that we could suggest that consideration be given to abolishing the three cent mineral tax on land owned by the Canadian Pacific Railway, or land owned by the Hudson Bay Company, or land leased by oil companies, and incidentally, but only very incidentally, Mr. Speaker, on land for which the farmer was responsible for the mineral tax. Since this relief to farmers would be the very smallest effect of this sort of a resolution, I think we can then obtain a clear idea of who Members opposite are proposing to benefit, and who they are purporting to benefit.

Mr. McDonald: — Can't you read the resolution?

Hon. Mr. Blakeney: — Ah! But this is not, I'm suggesting, possible. If the hon. Member for Maple Creek is prepared to argue . . .

Mr. Cameron: — That's a bad case to defend . . .

Hon. Mr. Blakeney: — No, I think not. I see the hon. Member for Humboldt is not in her chair, but I think she would support my contention.

Mr. McDonald: — No she wouldn't.

Mr. Speaker: — Order! Order! I would draw the attention of the hon. Members that it is proper for them to address the Chair, and not any of this across the House remarks.

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Hon. Mr. Blakeney: — Well, Mr. Speaker, as I said having regard to the effects of any law which will abolish the mineral tax for farmers, which lead to abolishing it for the Hudson Bay Company, the Canadian Pacific Railway and all the oil companies, it is therefore, Mr. Speaker, rather clear why this is on the Order Paper, and in particular I would suggest why it has been put on the Order Paper by the hon. Member for Souris-Estevan . . .

Mr. Speaker, in view of the fact that the people who will benefit from such a move, are people for whom I have no particular sympathy in respect to their taxpaying ability, and the Hudson Bay Company, the Canadian Pacific Railway and the oil companies . . .

Mr. Speaker: — Order!

Mr. McDonald: — Keep going we can win if you continue.

Hon. Mr. Blakeney: — As I say, in view of the fact that these are the people who will benefit and not the farmers, I, Mr. Speaker, will be unable to support the resolution.

Mr. G. Herman Danielson (Arm River): — Mr. Speaker, I sure didn't have any intention of saying anything on this topic at all, but I remember when that Bill was brought down in this House, in spite of my friend over there (he's a newcomer to this House) and I think the organization in which he has been active as an official has been asking that this very thing be brought about.

I remember Mr. Phelps coming into this House with this Bill, way back in the 1945 Session, and he said this "First of all we thought we would expropriate the mineral rights" but he said on second thought, "we thought we would do it this way because no farmer will pay this tax and we'll get the mineral rights anyway." That was the statement of the Minister. Now I am going to tell him that he needs a little better education on the background of some of this legislation, which is on the statute books now.

Mr. Thatcher: — Hear! Hear!

Mr. Danielson: — Mr. Speaker, there is nothing in the world to prevent this Government or any other Government if they want to do something for the farmer, to say that we'll exempt from the tax the first two sections, and that will satisfy everybody, or one section. Just the same as some other legislation makes that exemption, you are only paid for two hundred acres when you have a thousand or two thousand acres or whatever you have. Under the P.F.A.A. Act they are only paid so much. You have the same chance here to exempt and say that you exclude from the Act anyone who has ownership of one section, or two or three sections. You could make it anything you like, and then that wouldn't benefit the Hudson Bay Company or anybody else that has a large acreage of land in this province. There is the remedy for you, but then these fellows never wanted to do anything for the farmers. They piled every tax they could on them from the day that they came in this province until the present time.

Mr. Thatcher: — Hear! Hear!

Mr. Danielson: — Let me ask you who voted against the elimination of the 14¢ a gallon gasoline tax for the farmers' trucks, which is a charge on production of this province, Mr. Speaker? They stood solidly and voted against the farmer on that occasion. They have done it on every occasion and they are still at it, but the time will come when they won't have a chance any more to speak and vote against the farmers' interest in this province.

Mr. McFarlane: — The Minister of Co-operation . . .

Mr. Danielson: — It's a poor excuse for any person to say that it can't be done. If you should try to help the farmers out on this particular subject, then you could continue to tax the Hudson Bay Company, and the railroads, and anybody with a large acreage of land, and the mineral rights in that acreage held by the owner of the land. So that is no excuse at all, because it can be done simply by an amendment to the Act.

Hon. Mr. Blakeney: — Would the hon. Member permit a question?

Mr. Danielson: — Yes.

Hon. Mr. Blakeney: — Mr. Speaker, does the hon. Member take the view that the exemption

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proposed by him would still require oil companies to pay the taxes where they have taken a lease on freehold acreage?

Mr. Danielson: — The lease held by the oil companies? Oh no – no – not by any means. Because, when a farmer has leased this out, the oil company pays the lease. But a simple amendment of that Act, this Bill or whatever you like to call it, to exempt the farmer holding up to one or two sections, or whatever you would like to fix it at, would solve the problem. You talk about an economic unit, well I would say Mr. Speaker, this should go with an economic unit.

An Hon. Member: — You asked his opinion and he's giving it.

Hon. Mr. Walker: — Mr. Speaker, I think that Mr. Nollet, here on my right, expressed the correct view of the law when he said earlier, that the court would undoubtedly hold to be unconstitutional any legislation, which exempted from this Act people by description of their occupation. I must disagree with my learned friend from Arm River that it should be constitutional.

The fact is, Mr. Speaker, that there is a very distinct possibility that even if farmers were exempted, not by name, but by exempting one section of land, or two sections of land, it's even then doubtful, if the court would be able to hold that that was *intra vires*.

But, my hon. friend has missed the real point of the argument of the Minister of Education. His point was, by exempting the farmer from this tax, you would in effect be exempting the farmer from 60¢ worth of tax, and exempting the lessee oil company from \$4.20, in every case where the land was under lease.

An Hon. Member: — Read what the resolution says.

Mr. Danielson: — . . . that's the excuse that the oil companies . . .

Hon. Mr. Walker: — . . . and if as my hon. friend from Arm River suggests, that all parcels of land owned by one owner of less than a section or two sections of land were exempt from the tax, this would have the same effect of relieving the lessee oil companies of the tax. Let's just get this right now, Mr. Speaker. The lessee oil companies do not pay the tax

on their own behalf, they pay it on behalf of the farmer. What they do in effect, is to return to the farmer 7/8ths of the tax which he pays, for the oil companies who have land under lease in this province wouldn't have to pay this 3¢ tax, because they're not owners of mineral rights; they merely have a lease on mineral rights. They agree to take 87½% of the tax, which the farmer pays, leaving the other 12½% on the shoulders of the farmer. In other words the oil company is not a taxpayer, under this lease. He is merely agreeing to reimburse the farmer for the tax which the farmer has paid, and if the farmer has to pay no tax, then the oil company has to pay no tax. It is as simple as that, and when it is suggested that this resolution is for the benefit of the farmers, the truth of the matter is, as the Minister of Education points out, to give the farmer 60¢ here, you've got to give the oil company \$4.20.

Mr. McDonald: — You're dreaming Bob.

Hon. Mr. Walker: — My hon. friend, if he doesn't realize the facts is merely displaying his ignorance of the standard forms of these agreements. If he has read one of those agreements, and has understood them, then he knows that what I am saying is true.

Mr. McDonald: — Have you got any land?

Hon. Mr. Walker: — Mr. Speaker, I've never laid an egg, but I know a lot more about omelets than hens do.

Mr. Thatcher: — You're sure attempting to hatch one though.

Mrs. Batten: — He's laid more eggs than anybody on the Government side.

Hon. Mr. Walker: — I don't take second place in my knowledge of them to the hon. lady from Humboldt. The fact is, Mr. Speaker, that this legislation which will benefit a farmer, whose land is under lease to the extent of 60¢ per quarter section per year is not going to solve the problem of agriculture. If the farmer pays 60¢ a year to this tax, this is the price of a large pack of cigarettes each year. Now, for the Opposition to take up the time of this House, by proposing a resolution of this type, to take the time of the House on such frivolous subjects, then it is in my opinion a reflection upon their good sense. The fact is,

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Mr. Speaker, that 60¢ a year is not going to be of any benefit and the farmers in my Constituency won't appreciate this, and my hon. friend, getting up in this House, and implying that they are so poverty stricken that 60¢ a year is going to balance their family budget . . .

Mr. Danielson: — That is what the Attorney General . . .

Hon. Mr. Walker: — This is the kind of debate, which you might hear proposed in Egypt or Persia where 60¢ a year would be a very substantial accretion to their wealth, but my hon. friends have far too low an opinion of the solvency of agriculture, and of the sense of the people who engage in that industry. The fact is, Mr. Speaker, that to give these people a refund of 60¢ per quarter section, and to give the oil companies a refund of \$4.20 per quarter section, explains, I think, better than any other statement that I could make the real reason for this resolution.

The hon. gentlemen opposite seem to feel that the Treasury of this province, the revenues of this province, and the services which the province renders out of this income, is not important, because every time they turn around, they try to undermine or destroy every basis from which the cost of services are provided.

Take a million dollars off the revenue, \$1,300,000 as the Member for Maple Creek pointed out . . .

Mr. Cameron: — Mr. Speaker, on a point of order, I didn't point out to take \$1,300,000, I said you take a pittance off. Well, he's not putting words in my mouth.

Mr. Speaker: — Order! I must point out to the hon. Member from Maple Creek that a correction of that kind can be made after the hon. Member sits down. That is not a point of order.

An Hon. Member: — Mr. Brockelbank said that.

Hon. Mr. Walker: — I may have misunderstood my hon. friend. He may have referred to it in some other connection altogether.

The point is that there is about \$800,000 a year in revenue to the province from this source, and in some years it has been more than that because of the payment of large sums of arrears accumulated during the period when the constitutionality of this tax was in question.

And, in some years it has been a million dollars, but the revenue is about \$800,000 plus the tax on operating wells. Now if to benefit 80,000 farmers, say a dollar apiece, to hand out \$80,000 to the farmers of Saskatchewan, and thereby give \$720,000 to the Hudson Bay Company, to the C.P.R. and to the oil companies – if this is my hon. friend's measure of the public interest, then I think we ought to be grateful to them for having revealed it here in this Legislature, in this debate.

My hon. friends never tire of arguments and proposals to impair the province's revenues and impair its financial solvency they insist on proposing that this Government ought to put itself in a position where it is not able to render services . . .

Mr. McDonald: — You're in that position now.

Hon. Mr. Walker: — . . . and every time you take a million dollars or \$800,000 out of the tax revenues of this province, you curtail to that extent the amount of services which the Government can provide. All to enrich the coffers of the supporters of friends opposite, the oil men. I have as much sympathy for the oil companies, and their desire to produce oil and make a profit, and to operate successfully, as they have, but I don't believe that the welfare of the people of this province ought to be subverted for that purpose.

So, I think that the Legislature ought to defeat this resolution. I hope that my hon. friends opposite who profess to believe that the effect of this resolution can be put into effect will consult with a lawyer, a good lawyer . . .

Mr. Speaker: — Order!

Hon. Mr. Walker: — I suggest, Mr. Speaker, that he consult with a reputable lawyer and get an opinion on the constitutionality of the resolution, and I'm not asking him to take the legal advice of the Minister of Agriculture.

So, Mr. Speaker, I will vote against the resolution.

Mr. Douglas T. McFarlane (Qu'Appelle-Wolseley): — Mr. Speaker, I never expected the position of the farmer would ever be degraded to the degree that it

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has been just now by the comments and the words coming from the Attorney General. I have always wondered why agriculture in this province received such a small allotment of the provincial budget. It has never been registered more clearly than it has been just now. I can sympathize with the Minister of Agriculture, when he meets in Cabinet, and he goes to his colleagues and tries to wring something out of them for the benefit of the farmers.

Hon. Mr. Walker: — It's worth 60¢.

Mr. McFarlane: — In view of the statements made by the hon. Attorney General, and previously the attitude taken by the past Provincial Treasurer of this province, now, for any man to get up, in an agricultural province and refer to an Act such as this, or a situation such as this as a trifle and frivolous is a disgrace, and I suggest in the interests of the people of this province, we should have somebody else in that capacity in that Department.

The whole crux of the situation that we are faced with in Saskatchewan today in regard to mineral rights was voiced on the part of this province, by the Members of the Government who sit on your right Mr. Speaker. It goes right back to the time when they were first elected in 1944. I think that the Member for Arm River did well in pointing out to some of the younger Members what really took place in the first Session under a CCF Government, because it was the avowed policy of the Government of that day to make sure that mineral rights eventually reverted to the Government, and eventually ended up in the hands of the Government. That is why this Mineral Taxation Act was passed.

What has been the result of that Act, Mr. Speaker? When they brought down this tax 3¢ per acre, or 50¢ per acre on those areas that were classed as production areas, they had two things in mind: first, was to extract every last cent they could possibly drain out of the farmers of the province who wanted to try and protect their mineral rights, and the other thing was, that if they couldn't get them that way, they could have them in their own hands, and any future development in oil, minerals or anything else that took place, they would hold title and receive the benefits of this. What has been the situation? After this Act was passed the farmers faced with having to pay 3¢ per acre mineral tax, then fell easy prey to some of these people who today cause

trouble in this province. So a great many farmers leased their mineral rights for as low as 10¢ an acre. Those farmers who did not lease their mineral rights, and received nothing for them who do not believe that they should pay the tax, these farmers who are in a position where they have arrears of taxes, the mineral rights to their land reverted to the Crown.

Now, the most serious situation of course, is the situation in this respect, Mr. Speaker, that because of the fact that sometime in the future of this province some mineral development may take place because of the fact that the farmers no longer hold title to their rights, their sons and heirs of the family, who take over that land in the future are also deprived of any benefits that may accrue from mineral development at some future date. So, I think that this has been a most sinister piece of Legislation, and then they try to scoff it off lightly by saying "Oh, it only amounts to 60¢ per acre."

Hon. Mr. Walker: — Per quarter section.

Mr. McFarlane: — . . . 60¢ per quarter section. That may be true of those people who have leased their mineral rights to oil companies, but it certainly isn't true to those people who are still struggling to hang on and protect their mineral rights, who are still paying \$4.80 a quarter. Those are the people we are concerned with in this resolution.

And then the Attorney General has discounted the fact that he said this legislation would be ultra vires, that it wouldn't stand up in a court room. Now, I suggest, Mr. Speaker, if that is correct, then the sinister and the ulterior motives went right back to the day they put this type of legislation on the books of this province because they knew that the farmers couldn't get out from under this type of legislation. And it goes right back to the original piece of legislation.

Now, before I go on, I want to take issue with the remarks made by the Member for Cumberland, when he got up and said that if we were to pass this resolution we would be setting up two classes of farmers in this province. He said because farmers own their mineral rights, and mineral development took place, and they cashed in they would be at an advantage to other farmers. Well, I would like to say this; I would like to ask him what his position on this would be, because he lives in the northern part of the province, because he lives close to the Pre-Cambrian Shield where we have rich

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mineral deposits, and if he went out to stake himself a claim in the Pre-Cambrian Shields and his claim paid off at some future date, and he was in a position to cash in. Well then, would he consider himself as a special class of citizen? Knowing my socialist friends across the way, I am sure that if that happened, they would take full advantage of any development that took place, of that type. So I say if some people are allowed to do that, in that type of condition, then by all means the farmers who have title to their mineral rights and the title to their land should not be deprived of that title, and they should not be taxed.

Mr. W.J. Berezowsky (Cumberland): — May I answer that question? I pay my tax and royalty.

Mr. McFarlane: — I want to point out the situation today. He tried to make much of the fact that it is only 60¢ per quarter section, to those farmers who have leased their land. They say that this hasn't cost the farmer very much, but I wonder if they ever stopped to figure out the tremendous expense the farmers have gone to in this province to try and recover their mineral rights, and some of the concessions that were made because of this tax. I am sure that they realize it was only a few days ago when they had an organization meeting them they were going to try and ask restoration to the farmer some of the privileges and rights that were given up due to the result of some of their legislation. Further to that, farmers have each year given these organizations money to try and restore those rights. Further to that, it cost the province money, because they set up a board to renegotiate and try and restore some of these rights to the farmer. This all adds up, Mr. Speaker, (yes it is on the Order Paper) this all adds up to an increase in farmers' cost of production. So now he is in a position where he is trying to get some of his rights back and they set up this Mineral Contract Renegotiation Board. Mr. Speaker, and what has been the result of that?

Government Member: — Why don't you tell us about your national policy?

Mr. Speaker: — Order!

Hon. Mr. Walker: — We'd like to see the rules obeyed.

Mr. Speaker: — We have had discussion of this. I don't think it should be brought in here.

Mr. McFarlane: — Mr. Speaker, because these are further costs imposed upon the farmer, because of this legislation, and so we have this board set up, and this was another cover to try and pacify some of the farmers who were trying to protect themselves. So we have the applications that were sent in here, I have the figure here, 2,315 applications sent in to have their contracts looked into, and what has been the results of that board? To date only four contracts have been renegotiated. In other words there are only four farmers who have had their mineral rights renegotiated. So I say that every piece of legislation this Government brought in, every action taken by this Government, tends to further discriminate against the farmer.

As I pointed out, I am in full sympathy with the Minister of Agriculture, when he goes into Cabinet with his colleagues, and tries to bring up the conditions of the farmer to these people, including the Provincial Treasurer of former years, and after getting the opinions of the Attorney General, I don't see where farmers in the province are ever going to get a break by this type of Government. It never has been, and it never will be a party or government for the farmers.

So, Mr. Speaker, I will have much pleasure in supporting this resolution because I think it is one resolution which will attempt to keep some of the farmer's hard earned money in his pockets.

Mr. Berezowsky: — May I ask the hon. Member a question before he sits down? The hon. Member suggested that anybody that has claims up in the north, who is assessed taxes, should be relieved from paying those taxes . . .

An Hon. Member: — What's that got to do with this?

Mr. Berezowsky: — Please answer the question.

Mr. Speaker: — . . . a question was raised, and I believe the hon. Member does have an opportunity to make a statement in the closing speech. I think that was in order.

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I want to again inform the hon. Members that the hon. Member from Souris-Estevan is about to close the debate.

Mr. Ian H. MacDougall (Souris-Estevan): — Mr. Speaker, I don't propose you to go to the henhouse and collect all the eggs that have been laid across the way, but I would just suggest at this time that the hon. Members opposite can show their good faith and support this resolution, and to relieve themselves of all this confusion. I see that they vote according to party lines rather than according to good sense, most of the time, and I would suggest that they support this motion, in view of the fact that the farmers would benefit by their support.

I now move the closure of this debate. I support the motion.

The question being put, it was negative on a recorded division: 15 to 25.

Yeas — 15

Messieurs

Thatcher	Cameron	Klein
Batten (Mrs.)	McFarlane	Horsman
Barrie	Gardiner	Coderre
McDonald	Foley	MacDougall
Danielson	Boldt	Snedker

Nays — 25

Messieurs

Dewhurst	Brown	Meakes
Brockelbank	Blakeney	Thiessen
Lloyd	Erb	Stevens
Walker	Turnbull	Kluzak
Nollet	Stone	Dahlman
Kuziak	Thibault	Semchuk
Cooper (Mrs.)	Berezowsky	Perkins
Davies	Johnson	Peterson
Willis		

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