

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Fourteenth Legislature
26th Day

Thursday, March 16, 1961.

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

On the Orders of the Day:

STATEMENT RE SENIOR HOCKEY CLUB

Gordon T. Snyder (Moose Jaw City): — Mr. Speaker, I would like to take this opportunity to draw to the attention of the members of this Legislature the fact that the Senior Hockey Club in Moose Jaw has been successful in garnering the provincial cup which is emblematic of the supremacy in the senior hockey circles in Saskatchewan, and I'm sure that the Legislature will go along with me in congratulating them on this endeavour, and that we wish them every success in their series against the Winnipeg Senior Hockey Club, in the Allan Cup playdowns.

QUESTION REGARDING ESTEVAN INDUSTRIES LIMITED

W. Ross Thatcher (Leader of the Opposition): — I would like to direct a question to the Premier. Is the government aware of the fact that Estevan Industries is leaving the province, that one of the reasons given for the move is purported to be the fact that Provincial Highway Regulations prevent the moving of 12-foot trailers over our highways? I wonder if there isn't some action the Government might take which would prevent this industry from leaving our province.

Premier Douglas: — Mr. Speaker, I'd want to make some inquiries, but to the best of my knowledge, no representations have been made to the Government regarding this matter by Estevan Industries. I will be very glad to look in to the matter.

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REPLY TO STATEMENT IN LEADER-POST BY DR. LEISHMAN

Premier Douglas: — Mr. Speaker, I desire to make a statement on the Orders of the Day, if I may.

Yesterday's Leader-Post, dated March 15th, carried the following statement by Dr. John Leishman of Regina,

“The chairman of the Advisory Committee on Medical Care is prejudiced and biased, with his mind made up, and in my opinion is there to implement the policy of the Government and collect his \$35 a day.”

Mr. Leishman said the Committee was:

“not to investigate the problems and needs of the people but to whitewash the policy of the politicians. The committee is window dressing only.”

He further described the members of the Committee as political appointees who are

“asked to approve a Government plan and policy.”

Neither Dr. W.P. Thompson nor the members of the Advisory Planning Committee on Medical Care need any defence from me. They are well known public spirited citizens whose past records speak for themselves. However, I think it is essential that the Members of this Legislature and the general public should know that the Government has complete confidence in the integrity and objectivity of Dr. W.P. Thompson. The latter has a long and enviable record of public service as a scientist whose research helped to perfect rust-resistant wheat and as Professor, Dean, and President of Saskatchewan University for a period of forty-six years.

When Dr. Thompson retired as President of the University in the fall of 1959 he planned to devote the rest of his life to research work. It was only with great difficulty that the Government prevailed upon him to accept the position of the Chairman of the Advisory Planning Committee on Medical Care as a public duty. I think his fairness and impartiality has commended itself to the great majority of the province and I

must express regret that he has been subjected to an abusive attack which was both uncalled for and unwarranted.

Far from being “political appointees” the majority of the members of the Committee were nominated by the groups which they represent. There are three doctors selected by the College of Physicians and Surgeons and one doctor nominated by the College of Medicine. There are two farm representatives, one labour representative, and one appointee named by the Saskatchewan Chamber of Commerce. To describe these as political appointees casts serious reflection, not only upon the members themselves, but upon the organizations which they represent.

My colleagues and I desire to place on the record of this Legislature our unqualified confidence in Dr. W.P. Thompson, believing as we do that he will discharge his responsibilities with fairness and impartiality. We are also confident that the members of the Advisory Planning Committee on Medical Care are honest and sincere individuals who will seek not only to advance the views of the groups they represent but will conscientiously endeavour to formulate a medical care program which will best serve the needs of the people of Saskatchewan.

I think, Mr. Speaker, it might also be well for me just to put on the record the names of the persons on the Advisory Planning Committee on Medical Care.

The Chairman is Dr. W.P. Thompson, former President of the University. The three persons nominated by the College of Physicians and Surgeons are Dr. J.F.C. Anderson, Saskatoon; Dr. E.W. Barootes of Regina; Dr. C.J. Houston of Yorkton. The nominee of the College of Medicine at Saskatchewan University is Dr. Irwin Hilliard. The farm representatives are Mrs. Beatrice Trew who is President of the Women’s Section of the Farmers Union, and Mr. Clifford Whiting, a former Chairman of the Board of Governors of the University and a well known farmer in the Melfort area. The representative of the Chamber of Commerce is Mr. Don MacPherson. The representative of the Saskatchewan Federation of Labour is Mr. Walter Smishek. The three Government appointees are Dr. V.L. Matthews, Dr. F.B. Roth, and Mr. T.J. Bentley.

MOTION RE DECLINE IN NET FARM INCOME

Mr. Robert Perkins (Nipawin): — Mr. Speaker, the Resolution that I am moving this afternoon,

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seconded by Mr. Broten is:

“That this Assembly views with increasing alarm the continuing decline in net farm income, regrets that no effective action has been taken by the Federal Government to correct this unjustifiable trend, urges that the Federal Government take immediate action to implement a comprehensive marketing and farm income policy for Canadian agriculture that will provide an equitable share of our national income to our farm people.”

In introducing this Motion, Mr. Speaker, I would first like to state that the basic problem of the Saskatchewan farmer can be put very simply. It is this: The price he receives for his produce is much below what he must pay for the goods and services entering into the cost of production. Other factors enter into or add to this problem. One of the most perplexing of these is the rapid change which is taking place, not only in the necessity for adaption to the technological age, but also to the rapidly changing pattern of rural living. All of the advances of science in plant and animal breeding and diseases, in the development of commercial fertilizers, in discoveries of improved pesticides and insecticides, in classifications of soils, and many others, have an impact on the operation of our farms. The necessity of keeping abreast of these advances and the study and the cost incurred, add to the problem of today's farmers.

More and better roads, Mr. Speaker, modern trading practices, centralized educational facilities, have greatly changed the pattern of rural living. The attraction of higher wages and more leisurely working conditions in the larger centres, all add to the problems which confront us in agriculture. All of these advances are beneficial to us as farmers, but at the same time, they add to the rural problems. But all of these problems, I submit, Mr. Speaker, are minor to the basic one of price in relation to cost.

The steady expansion of industry and development of oil and mineral production, during recent years, has had a tendency to obscure the fact that wheat is still of major importance in the economy of western Canada. In Saskatchewan, for example, some 103,950 permit books had been issued as at December 1st, 1960. Thirty-nine percent of today's Saskatchewan labour force was engaged in agriculture in 1959, and about the same percentage, 39%, of Saskatchewan's net value of production came from

agriculture during that same year — 39%. Associated with this figure is the fact that while the farm population in Saskatchewan in 1959 was just a little over 40% of the entire population, only 18% of the total personal net income went to farmers.

Farm requirements do constitute today a substantial market for manufactured goods. For instance, Canadian farm implements sales for 1960 amounted to \$250.4 million. The sale in Saskatchewan amounted to \$65.1 million. This was 26% of total Canadian sales. These were expenditures that were made in spite of falling farm revenues.

It must be admitted that the importance of wheat and other grains has decreased in relation to other products, such as pulp and paper and minerals. This decreasing relationship is not only caused by the increase in production, but also, by the decreasing price of farm products.

It can be truthfully said, I think, that the economic strength of western Canada is still closely dependent upon the economic health of the agricultural producers. Indeed, since the export of wheat constitutes the second largest item in Canada's exports, it can be said that the welfare of the wheat growers should be of vital concern to the national administration. The individual farmer, Mr. Speaker, has done what he can in adopting better cultural practices, in diversifying production, and in generally establishing more efficient production methods, but his action have been largely nullified by these steadily increasing costs. The growth of co-operatives to both producer and consumer have had the effect of reducing farm costs. Municipal Governments are doing all within their power to hold the line, but they are bedevilled by the same problem as that which alarms the individual producer.

Many programs instituted by the Provincial Government had had the effect of assisting the farmer to the extent that provincial powers admit. The rural grid road program, rural electrification, increased grants to schools, student aid assistance, and the health and welfare services, all have their beneficial effect upon rural living. Mention must also be made of the work of the Provincial Department of Agriculture, especially, and the different branches of fairly recent origin. The Lands Branch, C. & D. Branch, Ag. Rep. service,

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covering the entire province, with its accompanying agricultural committees, Plant Industry Branch, with the supply of forage crop seeds at cost, and the introduction and encouragement of new and better varieties of forage seeds, the activity in grasshopper and other insect control, and the supplying of insecticides and spraying materials at cost, together with the community and other pasture projects, is having a beneficial effect on farm operations across the province.

Probably the most beneficial of all recently adopted projects is the Family Farm Improvement Plan, whereby technical and financial assistance is given in the installation of sewer and water facilities in rural areas of the province. These and other measures are of benefit to the farmer. Individuals, municipal and Provincial Governments have and are, I think, putting forth every effort within their power to improve efficiency, to diversify production, and to tackle the problem of a local or provincial nature. But, the hard core of the problem still remains: the inflated cost of goods and services as compared to prices received for the food-stuffs produced. This is the condition which has been developing over the years, and is now finding its way into the larger towns, and cities of this and other provinces.

This farm price, this cost-price squeeze, as it is now known, with its resultant exodus from the farms, is contributing to the serious problem of unemployment, as well as housing and welfare problems in the larger centres. It has been shown that the continuing decline of net farm income cannot be arrested by any measures within the powers of the individual farmer. The powers of municipal bodies or of the Provincial Governments do not provide for the solution of the national and sometime international aspects of this problem. Clearly, this is a national problem and requires bold and imaginative action by the federal administration, if western agriculture is to be saved from more serious damage.

The seriousness of the situation forces the western farmer to turn to the Government of Canada for a solution to this pressing problem. It should be pointed out, Mr. Speaker, I think, first, that the Federal Government, through the Canadian Wheat Board, has sole responsibility for marketing all grains on the Canadian prairies. The Wheat Board has marketed all the wheat since 1943, and oats and barley, since 1949. There have been strong recommendations made that other grains

such as flax and rape seed be brought under Wheat Board marketing. This method of Wheat Board marketing is strongly supported by the great majority of farmers. This, I think should be emphasized, that any criticism that has occurred has been over administrative details, and not over the principle of Wheat Board marketing. Let it be clearly understood that the agricultural people of Saskatchewan have been and are still supporting the original principles of Wheat Board marketing.

One of the chief contributing factors in high costs is the decreased buying power of the dollar. Since the removal of price control, prices of practically everything entering into the farmers' cost of production have continued to soar. Farm costs generally have, in the period 1947 to 1959, according to the Dominion Bureau of Statistics, risen by 73.2%. These inflated costs or devaluated dollar values, Mr. Speaker, are completely beyond the power of the local or provincial governments to control.

Suggestions have sometimes been made that the Canadian Wheat Board should lower the selling price of wheat to (a) reduce the surplus; and (b) increase sales. Those who take this stand fail to recognize that most importing countries are already heavily subsidizing their producers, and thereby discouraging imports. For instance, Austria is paying producer prices, based on United States dollars of \$2.62 per bushel; Belgium, \$2.56; West Germany, \$2.71; India, \$1.99 to \$2.44; Japan, \$2.78; Norway, \$3.31; Switzerland, \$4.15; Turkey, \$5.35; and United Kingdom, \$2.07. These figures are taken from the World Wheat Statistics of the International Wheat Council, page 53.

Further effects of the wholesale lowering of prices would quite conceivably result in similar action on the part of other exporting countries, and force prices to the ruinous levels of the 30s.

The western Canadian farmer stands alone in a world of protected grain producers. Other exporting countries, with the exception of Australia and the Argentine, have wheat prices substantially higher than ours. For instance, France \$2.11; Italy, \$2.82; Spain, \$2.63; Sweden, \$2.00 to \$2.53, United States, \$1.81 compared to approximately \$1.60 basis, Number 1 Northern, Ft. William to Port Arthur, all prices in terms of the United States dollar.

It should be noted too that every bushel of wheat exported by United States, our chief competitor,

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in recent years has been subsidized by the United States Government.

While I recognize that some measures have been instituted by the Federal Government to give aid to our farmers, such assistance has been of only piecemeal nature, and has little bearing on the central problem of the cost-price relationship.

We are requesting in this resolution, Mr. Speaker, that immediate action be taken by the Federal Government to set up a marketing and farm income policy that will provide our farmers with a fair share of the national income. This is certainly no more than has been advocated in Parliament by the Prime Minister, while campaigning in this province during two election periods.

Let us here and now, again remind the Prime Minister of these promises and express the regret and disappointment of the farmers in this province, that more comprehensive action has not been forthcoming.

I feel that the seriousness of the decline of agricultural income should demand the attention of every Member of this Assembly and should enlist unanimous support for the resolution.

Mr. Hans A. Broten (Watrous): — Mr. Speaker, it was with tremendous interest and increasing alarm that I view the decline in the farm net income in Canada. This has been going on for well over ten years.

Mr. Speaker, Mr. Hamilton said in his famous pulp and paper speech in November, as reported in the 'Western Producer' of November 17th, that constant dollar returns for industrial workers have gone up 35% in the last ten years, whereas farmers' income in constant dollars has gone down 21% in the same period. While profits from big business have gone up well over 400% in the same period, only 8,000 out of 100,000 farmers made enough to pay income tax in Saskatchewan in 1959. May we remind ourselves that it's \$1,000 for a single person — that's an exemption — and \$2,000 for a married person. What is the status of a group of farmers that compose 90% of our number. I would call them third-class citizens in our economic sphere.

There are people with millions of dollars

invested and with this money and labour employed, they still don't receive an income that is nearly comparable to the average income in Canada. Mr. Speaker, the only way a farmer can get his fair share of the national income, is when he gets the same return for his labour, his investment, and managerial work as other groups in our economic society. Then when computing his costs, he put the same labour returns, investment charges, and managerial charges, as other groups, besides keeping his farm plant up to an efficient level.

With this type of accounting and prices for the same, the products would have to increase substantially. I have made a cost-of-production sheet of a farm that is of the average, and laid it on the Members' desks, that is near an average size, a little more than average yield. I find out that this is a very conservative estimate, and we would need \$1.00 a bushel more, in order to get this type of return for our work and investment, and managerial labours.

I believe this is accepted and this is the type of price we would have to get for the wheat consumed in Canada, and if we don't get it, we, the farm people of whom 90% don't make a \$2,000 income, for married; and \$1,000 for the single people, are subsidizing all the people in Canada and the world as a whole.

Take for a moment the point of view that is often expressed by big business and therefore the Liberal and Conservative Parties, as to why the Federal Government should be placed in the position of supporting the agricultural industry at all. However, perhaps a clue to the real market situation which exists today can be gleaned by a statement made by the former Minister of Agriculture, Mr. Harkness. In his opening statement to the Federal-Provincial Agriculture Conference, November 12, 1958, he said: -

"Prices of agricultural commodities are in a chaotic condition. One might say that world prices do not exist."

After citing a few examples of this, he went on to state:

"It is clear that there is no relationship in the prices of agriculture products in one country as compared to another."

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In other words, prices are no longer set in relationship to world markets that depend upon support programs and import policies of the various countries.

That this situation prevails for the wheat industry can be illustrated by example after example. As reported by the International Wheat Council in its review of the world wheat situation, November, 1960, the three major wheat exporting countries of Australia, United States and Canada, in 1959-1960, exported 42% of the total wheat exports under some form of direct government assistance. This included sales for local currency, emergency and famine, barter donations, long term loans, and credit insurance. Of this amount the United States was by far the greatest force, with fully 73% of its total exports, or 373 million bushels, being assisted in this manner. Small wonder, then, that the U.S. managed to export some 512 million bushels in the 1959-1960 crop year, representing almost 39% of the total wheat trade. Canada lagged far behind in this regard, with only 4.8% of its exports, or 13.5 million bushels, divided between donations and export credit insurance, being assisted in this manner.

It is this kind of competition — competition with the U.S. Federal Treasury — that our farmers are confronted with. Other countries have problems, but they assess them, and are willing to solve them by spending vast amounts of money. Our Government in Canada thinks this is a small-time peanut sale. It is true that owing to fortunate circumstances, from our point of view, poor crops in China and Eastern Europe, that we may be able to export some 300 million bushels of wheat this year, but this is surely a one-shot affair. There is no orderly systematic approach to creating new markets for our Canadian exports. We still gauge our success in the export of wheat with successes that we had in 1928. Now is there any other part of our economic structure that we could gauge successes by export successes of thirty-two years ago? We should move forward and have higher goals, better methods of trade, and therefore be more successful in this area.

This is happening in the face of a growing apprehension, that the establishment of a common market in Europe will be trapped for markets which we already have. Then what do we ask of the Federal Government? We ask simply that they recognize once and for all that mere maintenance of the status quo, as far as the prices are concerned, is not enough. Much more must be done than the platitudes about receiving their fair share of the national income and parity prices, if parity prices are

to be realized. There must be a clear-cut recognition that there is no world wheat market which is determined by supply and demand conditions; more broadly, such a market does not exist in Canada itself.

On August 6th, 1960, in the issue of the "Financial Post", Professor David MacFarlane, in viewing Canada's farm problem, states: This is what he terms obvious conclusion.

"The free market will not yield fair returns or fair shares to farmer",

And he states:

"The exodus from the land and the retirement of the land itself would have to be on such a vast scale, that we could scarcely conceive its non-economic consequences."

In dealing with solutions, he states:

"One approach to the farm policy is to do nothing."

This precisely is what the present Conservative Government in Ottawa is doing in this regard. They have been out-done only by the former Liberal administration, whose policy was less than nothing. This is precisely the reason why not a single Liberal was elected in the western provinces in the last Federal election. Let us not forget that, Mr. Speaker.

The resolutions called for by Mr. Hamilton in his famous speech, call for these projects: (1) For the alternative uses of lands that are marginal or of low productivity; (2) For the development of income and employment opportunities in rural areas; (3) For the development and conservation of Canada's soil and water resources; and (4) For the payment to the provinces of contributions in respect of cost of such projects undertaken by a province.

In explaining the alternative use of lands, he suggested pulp and tree planting. When asked how a farmer would live the forty years while the trees were growing, he said:

"All this has been taken into consideration."

May I say here, Mr. Speaker, there never was a Government that said it was giving the farmer's problems

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more consideration and expected the farmer's constitution to change so he could live on this consideration. Mr. Hamilton went on further and said:

“As for tree production, I can foresee a tremendous development in this field. Much work can be done with the breeding of trees to speed up the growing stage. Much, as was done with cereal grains.”

Mr. Speaker, now we have to wait not only for a period to grow the trees, but for a period to develop a breeding program. May I suggest that my 11-year-old boy will be too old to get assistance in this matter. There just is no consideration for the present problems.

The Liberals at their Convention outbid the Tories by \$100, raising the ante to \$300 instead of \$200 which would not pay for increased living expenses for one year, let alone the increased living expenses for the sixteen years, plus the actual 59% increase in the prices the farmer has to pay for the things he has to buy in order to produce.

There must be something wrong with the national policy which rewards the Canadian manufacturer, who is relatively inefficient as far as his foreign counterparts are concerned through the raising of tariff barriers, which cost the Canadian consumer more than \$1 billion dollars per year, and, at the same time, penalize the farmer for being too efficient — that is, producing more than an artificially stifled export market will take. Having rejected the well-documented case for deficiency payments on grain deliveries, we have instead offered such visionary schemes as pulp trees in eastern Canada, as I've mentioned before, as a means of assisting the present plight of the farmer. Or, how about the present Bill aiming at helping the low-income farmer through a Rural Rehabilitation and Development Program.

When the Hon. Alvin Hamilton moved the resolution recently in the House of Commons, he stated that according to the economic classification of farms in the 1956 census 21% of the Canadian farms produced less than \$1,200 worth of produce annually. Obviously, these are the marginal and low productivity lands that he proposes to take out of production one way or another. But the percentage of farms in Saskatchewan with production under \$1,200, in 1956, was only 4%. When is the Federal Government going to wake up to the realization that because of the continuing cost-price squeeze, and because of the lack of expanding markets or alternative export

markets for our livestock products, and because for such a large portion of our markets the prices have no real relationship to the cost of production, as I have mentioned before, the typical average farmer in Saskatchewan needs help and needs it immediately, on a large scale?

In contrast, Great Britain, in the year 1960, has spent well over \$700 billion dollars in direct support to its farmers. She could have spent less, but because of the Support Act put through in 1947, under a Labour Government, she started a program which is fair to the farmer, and has been continued by the governments since.

Prime Minister MacMillan in defence of this policy, is reported to have said:

“Farming prosperity has been sustained by a system of price guarantees. This is not a subsidy to agriculture. It takes the place of tariffs by which manufacturing industry is helped.”

He added:

“No country can be truly prosperous without a strong and healthy agriculture.”

In contrast too, how much further the U.S. has gone in accepting responsibility for the welfare of this basic industry. The current U.S. budget for agriculture is estimated in excess of \$5 billion dollars, from which \$3.4 billion went to price supports. This works out to \$283 per capital in the U.S., or \$189 for price supports alone. I might say that a good deal of these expenditures for price supports are recoverable, and by way of contrast, we have a recent report in the ‘Leader-Post’, which is headlined: “Agriculture gets Biggest Trimming”, and which states:

“The Federal Government’s spending program for the next fiscal year is \$172 million dollars, down \$33 million from last year.”

This is when the farmers’ position is getting worse. The U.S. spends one-fourteenth of their budget on agriculture and price supports, whereas Canada spends one-thirty fifth of its budget on agriculture, and this in spite of the fact that the farm population and labour force engaged in agriculture in Canada is relatively larger than in the U.S.

Mr. Speaker, someone has to pull up their socks,

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and do it now. I do support the Motion.

Mr. Douglas T. McFarlane (Qu'Appelle-Wolseley): — Mr. Speaker, any remarks that I have to make here this afternoon on this resolution will be brief, but in view of some of the statements made by speakers who have gone before, I would like to put the position of some of us who are engaged in farming on this side of the House, before you, and review some of the conditions that have beset the farmers of this province, due not only to the conditions affecting agriculture here in Saskatchewan, and the responsibility to some degree of the Provincial Government, but policies or lack of policies and interference with former policies by our Federal Government in Ottawa.

I am sure that everybody in this House will agree with me, regardless of whether they are a farmer or whether they are not, that the basic industry in Saskatchewan has been, and is, and will for some time in the future, continue to be our agricultural industry, and if our province is to retain a high degree of economic stability then I would suggest that all our policies, be first directed towards the betterment of the farmers in Saskatchewan, as we know from past experience that if the farmers prosper, so do the business men in the towns and cities, and as conditions develop to the point where the farmer has to leave the farm, you will find that the people have to leave the villages and the towns and eventually end up in the cities. That condition during the past two or three years has created quite a problem. It is a problem of social welfare and a problem of unemployment.

Now, I would indicate to you, Mr. Speaker, that as a western farmer, I believe the most important factor in the farming industry is the factor of being able to sell the goods that we produce. I maintain in the past when we had the highest measure of economic security, as far as farming is concerned, were the days when we had a national Government at Ottawa who believed in the freest trade possible with all nations of the world. We have seen what has happened to our economic stability when governments try and interfere with the freedom of trade. We have seen what has happened to the agricultural industry, in the last few years under the Government that we have in Ottawa at the present time, when they interfered with the free channels of trade and tried to increase tariffs on some of our best customers, and I refer, of course, to Great Britain and to Japan. The result of actions along

those lines alone has reverted right back to the farmer.

Mention has been made of the Wheat Board system of marketing. The Government that represented those people who believe in Liberal policies to a large degree was highly successful in perfecting the policies of the Canadian Wheat Board. I would point out, at the present time, where the western provinces are producing about 900 million bushels of grain, and under Wheat Board policies at the present time have only been able to deliver 600 million per year on the average. So I think all hon. Members will agree with me that the excess, the carry-over of the additional 300 million, has been posing quite a problem to those producers in Saskatchewan who each year find that they have not been able to find a market for that terrific amount of grain. In other words, one-third of the grain produced in the three western provinces has not found a market through Wheat Board channels in the last few years.

So I suggest that the first thing we must do if we are going to solve the agricultural problem federally, is to follow a course of the freest trade possible, with all those nations in the world who are desirous of trading with us for our grain and food products, and where we in turn can accept some of the manufactured goods, cheaper than what we can produce them ourselves. I think that if this policy is followed, it is good economics and it would help the producers of western Canada.

It has been mentioned in this House that some of our surplus should be given to the underprivileged people of the world. I suggest to you, Mr. Speaker, that this policy sounds very good as a talking point, it looks very good on paper, but I think in all sincerity if we want to be practical about this thing, before we try and unload surpluses, I think that the first thing that has to be done in these underdeveloped countries is to have them take some initiative of their own, or have the countries who are desirous of getting rid of the grain see if they can't, through the Colombo Plan or some of these other national plans, first set up a system of distribution in those countries. I can't speak from experience, personal experience, but I do know from those who have been over in some of those countries and have come back, they say, although the surplus grain has been delivered to those countries, it has been left to rot on the docks because they didn't have the facilities of getting that food to the people concerned. I think that the practical thing to do there is to first see that

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the means of distribution are set up so the people can make use, and accept the offers of our surplus food. That is why we agree that when this is done, then we are in a position to see that more of our Canadian surpluses of food and such go through the Colombo plan. That is why we have supported the idea of the World Food Bank. As has been pointed out, these plans have been good in the past and they will be good in the future, and taking a look at it from the practical point of view, if the faults there now are corrected, then I am sure that we as farmers and producers, if the proper channels are developed, and the proper course taken, will to a greater degree benefit in the future from these plans.

Another thing that we are concerned with at the moment, and which I believe we have reason to be concerned, we should never let our guard down, and as farmers we should fight at all times for the protection of the Crow's Nest Pass freight rates. I would suggest to you, Mr. Speaker, that if the agreement was done away with, that would be one of the severest blows that could ever hit the farmers of this province, and the three western provinces. I suggest that this House go on record that at no time will we stand for the tampering with or the loss of our protection by the Crow's Nest Pass Freight Agreement.

Another policy, I think that would be of major importance to the people in Saskatchewan, and the people of the three western provinces as far as that goes, would be the setting up of a policy which we have agreed to, and that would be, of course, the first units of grain delivered in the fall by each farmer, that the price be paid to the farmer, be a price related to the cost of production, and the cost of the services that he has to provide for the production of those grains. Because the Liberal Party believes in that, because we believe that will help alleviate the situation of the western farmer, that is something that we believe should be done and will be done when the time arrives.

Another thing that we don't want tampered with, another service that we don't want to see lost to the farmer, is the policy brought down by the past Federal Liberal Government of where they have agreed to pay for the storage of all of the surplus grain beyond that of a normal carryover. That is something that has helped materially all the farmers of western Canada, and something that we believe should be carried on and should not be tampered with by any Government at Ottawa.

Another policy we believe that could help

the farmers of Saskatchewan, if it were accepted by the Federal Government, would be the accelerated depreciation of his grain storage buildings on his farm. As all farming Members are aware, it costs a great deal of money to put up proper storage facilities, and we have advocated that for some time, as far as the individual farmers are concerned, and in the past we have also advocated that construction should have been undertaken on a program of grain storage facilities in this province some years ago. Under conditions at that time, it would have been a practical project for the Government, because we would have the buildings, they could have been paid storage, and the storage paid in those days, could have paid for the cost of the buildings, and in many cases they would have had some facilities for use at the present time, and for use in the future by people of the province.

Because of the fact that we believe that the basic security of farming today is involved around the family farm, we believe that any Government at Ottawa must accept that principle, and any legislation, or any policies that are brought down must be based on acceptance of the family farm unit as the basic unit in our province today.

Another suggestion we might make at this time, to strengthen the economic position of the farmer of the province is to have a more comprehensive crop insurance plan brought down. I think we have no better indication of the inadequacy of crop insurance in this province at the present time than the fact that no farmer in Saskatchewan, even though the Crop Insurance Act was passed, and the program has been set up for a year, no farmer so far has seen fit, to take advantage of that policy. This points out one thing; the policy as constituted at present isn't satisfactory to the farmers of Saskatchewan, and so I would suggest that both the Federal Government and the Provincial Government concerned get down once again and try and work out the means whereby crop insurance would be more beneficial and be more acceptable to the farmers in Saskatchewan. We don't believe that the P.F.A.A. should be further tampered with. There have been requests in the past, that P.F.A.A. be brought down on an individual basis. It would not appear that this would be feasible in this province at the present time. So, I would state that P.F.A.A. was brought in it for one specific purpose, and that was to give general coverage. If we are to have individual coverage in turn, then I suggest that that deal should be left to a program of the crop insurance. P.F.A.A. has proven, as far as the farmers of Saskatchewan are concerned to be one of the best pieces of

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legislation that was ever brought down for Saskatchewan and the western provinces concerned. Although there have been complaints from one of our sister provinces, the record would show that the farmers of Saskatchewan have benefitted greatly from this piece of legislation. And so, we as Liberals, because it was Liberal policy, because it worked to a degree of satisfaction, the farmers of this province guard that piece of legislation jealously. We would hate to see anything done either provincially or federally that would erase the program of P.F.A.A.

As hon. Members know, a few years ago the past Liberal Government set up the Senate Committee on land use. The idea of the Senate Committee on land use was to look into the potential productivity of the different lands throughout Canada. If land was in cereal production that could produce some other line better, they believe that type of land should be taken out and put into other types of agricultural production. That is something that I think our Provincial Government should pay more attention to in the future in co-operation with the Federal Government, because as far as the southern area of this province is concerned, there is a great demand for community pastures. They are anxious about acquiring pasture lands to increase the holdings of the farm units, and making it somewhat more diversified.

The Minister of Agriculture differs with us at the moment, it can be borne out by his records, but I remember reading a pamphlet on a survey taken about a year ago among the farmers in a municipality in the Constituency represented by the Member for Moosomin. Practically every farmer was contacted on the survey said, that he needed additional pasture facilities, and that is becoming a problem all through the southern portion of the province. I know in the area that I represent the farmers want to become diversified, they want to get cattle, but because of the smaller holdings of about one-half to three-quarters of a section, they are not in a position at the present time to turn the amount of land they would like to into pasture for cattle. So this has become a serious problem to them, and I think both our Provincial and Federal Governments can do much to diversify the economy of this province if they'd look into the possibility of acquiring more community pasture land.

I would suggest that there are areas in this province today that are highly suited to that type of project, and one area that I can think of particularly is the area in the Pipestone Valley, where we have all

kinds of natural protection and all kinds of water. I know that there are districts in there where some farmers would like to retire and would like to be able to set up this pasture holding, and I think that it would help the people in the adjoining districts, and help the farmers themselves, if some arrangements could be made to buy out these holdings and turn over these added facilities for some of the people in the southern part of the province.

Mr. Speaker, I have dealt with a few of the problems, and made a few suggestions that I think would benefit all the farmers in this province, and I think that if they regard these suggestions in all sincerity, then we will to a large degree help out our basic industry. The other thing that I could point out is this, I don't like to see Members opposite continually try to assail governments if they themselves are not trying to do something to help out the people under the jurisdiction they have in their own hands. I have no objections to any provincial government pointing out to the Federal Government what they believe is the best interest of the people in their own province, but I think one of the most regrettable actions taken by the present Federal Government was that they no longer hold these Dominion-Provincial conferences each fall. The Government preceding the present Government at Ottawa made it a practice to call in all the Provincial Ministers of Agriculture, and the departmental heads and each fall they would review conditions in the year past, and try and assess what production prospects would be for the year ahead, what the market prospects would be, and by holding this series of meetings then the Ministers of Agriculture for the provinces concerned could come back to their own people and give them some indication as to what market prospects would be, and what price prospects would be and production prospects. By having that series of conferences over the years, I think they've turned out to be very successful and I regret the fact that they are no longer being held. I can't absolve the Provincial Governments of all blame for the conditions that we have at the present time, because through their provincial policies they have to a degree lessened the economic position of the farmer. So when they continually berate the Federal Government, it is no consolation, Mr. Speaker, to know that in this province while they have been the Government in power, we have seen 3,000 evictions, foreclosures, and cancellations of agreements for sale.

Surely then, Mr. Speaker, if we are going to

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condemn the Federal Government for their policies we should correct the conditions in this province where that type of event is taking place at the present time.

Mr. Speaker, because this resolution asks that the Federal Government assume some of its responsibilities and because there's a great deal to be done for the farmers of this province, and because I believe that the most important issue today, as far as the farms of western Canada are concerned, is restriction of trade, and because I believe in the freest possible trade, and to deal with all those nations which want to deal with us, and because this isn't being done at the present time, I will support this resolution.

Mr. W.J. Berezowsky (Cumberland): — Mr. Speaker, what has been said by the mover and seconder very well points out my thoughts in this connection, but after listening to the hon. Member who just spoke outline the program of the Liberal Party, which I find is contained here in the "Saskatchewan Liberal," I thought maybe I should get up and say a few words. As a matter of fact I thought I should point out what some of the Liberals in eastern Canada think about the Liberal Party and their programs for the west. I will be short, but I think this might be important.

I would like to cite first of all a French press called "Cite Libre", and this is dated February 24th and is a translation, I suggest it is a good translation, and here is a paragraph out of an editorial referring to the Liberal Party and its program for the people of Canada. It says here in reference to the convention they had in Ottawa:

"At no time was economic direction, investment planning industrial democracy, pro-labour policies, or antimonopoly measures ever seriously considered. In the words of Walter Gordon 'the Liberals have given themselves the mission of restoring confidence in the intrinsic values of our present economic regime, and to accomplish it, they are content above all to help private enterprise help themselves, by the reduction of corporation taxes, accelerated depreciation, reduced interest rates and the rest.'"

Then I have another issue here from the same press, the

“Cite Libre” of a later date, and there is another paragraph which I think is very pertinent to the discussion here today, and it says this: This by the way is a Liberal paper.

Mr. Speaker: — I am sure the hon. Member is intending to tie this into this motion, but I fail to see much relationship between the last piece he read and the motion before us.

Mr. Berezowsky: — The point is Mr. Speaker, that the hon. Member preceding me had taken, certain sections out of the resolutions adopted by the Liberal convention, and I am just pointing out what some people think about these enunciations. However, I do intend to tie this in. I do intend to tie this in, Mr. Speaker and I just want to read one more paragraph. And this paragraph says . . .

Mr. Speaker: — Do you have a point of order?

Mr. Berezowsky: — I shall read it to you. Yes, I will do that, Mr. Speaker.

In this paragraph it says:

“today the Liberal Party pays dearly for its ideological bankruptcy for which we have reproached them for the past ten years, because if it has sufficed for administrative needs, it is totally powerless to resolve problems arising from a political philosophy opposed to progress. In parallel manner the Government will have at its side powerful influences and we do not doubt for a moment, that they will come from the right and go on to the left, and does not act with intelligence to lead them . . .”

Mr. Speaker: — Order! The hon. Member has a point of privilege.

Mr. Foley: — From what is the hon. Member quoting?

Mr. Speaker: — That is not a point of privilege, it is a point of order.

Mr. Berezowsky: — I have said, Mr. Speaker, it is called “Cite Libre.”

Opposition Members: — What does that mean?

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Mr. Berezowsky: — Well I thought you knew French here. School teachers should know.

Some Hon. Member: — Your pronunciation leaves much to be desired.

Mr. Berezowsky: — . . . the hon. Member opposite, I would like to point out . . .

Mr. Foley: — Mr. Speaker, on a point of order, I think we are entitled to know the name of the document he is reading from, and what authorization it has. Is it an official document of the Liberal party, it that what I understand it to be.

Mr. Speaker: — If you can further clarify it . . .

Mr. Berezowsky: — Mr. Speaker, I shall attempt to do so. I regret that the hon. Member who asked the question didn't understand what I said. I said this is a translation from a French newspaper in Quebec. I quoted two paragraphs from that paper, I intend to tie it down to what has been said by the hon. Member who spoke previously. I was saying this, Mr. Speaker, that the hon. Member has gone ahead and brought in the program of the Liberal Party, and he's gone in circles . . .

Mr. Speaker: — I don't think this answers the question. Do you have a point of order?

Mr. Foley: — Well, Mr. Speaker, he was supposed to give the source of this.

Mr. Speaker: — I believe he did give the source.

Mr. Berezowsky: — Mr. Speaker, I have given him the source three or four times already, and I don't intend to keep on giving him the same answer time and time again.

What I am saying, Mr. Speaker, is this. That the hon. Member who spoke before me has circumvented and avoided the content of this resolution, and that is why I refer to this article here which says, that they are bankrupt as far as ideas are concerned. What has he said? He has pointed out that free trade is going to solve the farmers problem. None of us is denying that free trade might help. He talks about the World Food Bank — well all of us are looking forward to the time when we might

have a food bank in the world, to try and solve some of the difficulties of distribution, but that isn't going to solve the problem of the farmer who is hungry and who has children who are starving. Mr. Speaker, it is only a week ago since I have been home, and I know of a family six miles north of the town of Meath Park, where a child came to school and fainted from hunger, because of the fact that this farmer can't get enough money for his work to make a decent living. Those are the conditions that we face today, and they're going to talk about a food bank, and they're going to talk about other things of that nature. He said we should not have any interference with production and things like that. In other words, what I am trying to point out, and I don't want to go into all he said for it's all here in the Liberal program and certainly is not an answer to the problem.

That is not the answer to the problem. The answer is in this resolution. We've got to get behind this resolution and ask the Dominion Government to do something about it. Now governments, as I've said on previous occasions are instruments of human welfare. If the Government at Ottawa, whether it's a Liberal Government or a Conservative Government, can go ahead and give subsidies to the uranium companies, as my hon. friend from Athabasca knows, and I've said this before, where they can make millions of dollars profit as a subsidy, and we, the people of Canada are required to pay for the uranium. In addition when they go ahead and lower the corporation tax for companies making \$25,000 a year from 37% to 21%. When they can do those things certainly, they have a responsibility to see that the farm industry, which is suffering today, receives a fair payment for the work that farmers are doing for the food and products that they are producing.

Now that is the point of this resolution. There is no use going around in circles. Let's face the issue. We've said for a number of years that the farm industry is going bankrupt. Today, I think they even recognize it on the other side that farmers are going bankrupt. It's no use telling us stories like we heard in the agricultural committee one time. Remember that public relations man from Canada Packers answering some questions, and one of the questions that was asked him. He admitted there was too much wheat, and he had the answer — He said, well, quit growing wheat and start raising cattle. And that is what the hon. Member suggested today. Diversification — start raising cattle. And I asked him one question: "When there is too much cattle, what then?" Well, stop raising cattle and go back

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to the wheat is his probable answer.

Now, Mr. Speaker, does this Assembly today suggest that is the answer to the farmer's problem? We can't outguess what is going to happen. Sure the farmer that might get into cattle may do alright for a year or two or three, but then when there is too much cattle in the country what happens? He is back where he began. The only answer is the answer that Sweden has found. Sweden has found an answer and I am not too conversant with the details, but I know this, when the farm income goes down by a certain percentage, they take into consideration the tariffs of the country, and put in subsidies, and they bring the farmers earnings up to a certain level, so that they can have a decent living. If income gets out of line, then of course, they do the opposite, to correct the farm parity, and this country can do the same thing I am sure.

Other countries are doing what is necessary to be done to protect the interests of the agricultural industry, and this country can do it, and that is all this resolution is asking. You can call it parity prices, you can call it what you want, but it means security for the farming population of Canada. Let's not go round in circles, let's get together and support this motion unanimously, and send it where it should go, and see if we can get some action from the Government in Ottawa.

Mr. F. Foley (Turtleford): — Mr. Speaker, talking about going around in circles may be a good description of what has been going on here these past few moments. I was very interested to hear the hon. Member across the way being so concerned about the farmers suffering and yet just two days ago, he along with other Members of his Party, voted against the abolition of the 3¢ per acre mineral tax.

Mr. Speaker: — That is a direct reference to another debate, sir.

Mr. Foley: — They voted against tax free purple gas in farm trucks.

Mr. Speaker: — Order!

Mr. Foley: — I was very interested too, Mr. Speaker, to hear him comment on whether there will be a Liberal or Conservative Government in Ottawa. Apparently he is writing off the

chances of the New Party in the near future.

Now, Mr. Speaker, we have seen in the past few weeks, a number of resolutions of this type, moved by Private Members of the Government, with respect to recommendations for actions by our Federal Government, with respect to surplus commodities, with respect to the reduction of tensions, and other such directives. In my opinion, Mr. Speaker, while I intend to support this resolution, the Private Members of this Government, who in most cases represent farm communities, and farm constituencies, might concern themselves more with what this Provincial Government can do to give a greater share of revenues, right here in our own province to our own farm people.

When the hon. Members opposite wax so long and voluble on directives to our Federal Government, they seem inclined to overlook the possibility that more can be done by Provincial Governments such as our own here in Saskatchewan.

Mr. Speaker: — Order! I would like to point out to the hon. Member that the topic of this resolution is urging the Federal Government to do these things. I think that possibly if the hon. Member intends to discuss at great length the responsibilities of the Provincial Government with regard to this motion, I wouldn't preclude this class of reference in relation, but there are two sides to the question. A further discourse going into these things, I think would possibly be out of order.

Mr. Foley: — Mr. Speaker, I was just making a passing reference, and pointing out that the time of our Legislature might better be spent in discussing the actions of our Provincial Government over which the Members opposite have some control, rather than directing all of our resolutions towards the Federal Government for federal action. And, I say again, it seems to me rather hypocritical in a sense that one day they should be so concerned about the welfare of our rural people in Saskatchewan, and just a day or two previous, standing up in a body and voting against resolutions on this side of the House that could assist in relieving some of the financial burdens of our farmers. I make that statement and at the same time, I will support the motion.

Hon Olaf A. Turnbull (Minister of Co-operation and Co-operative Development): —

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Mr. Speaker, I didn't intend to become involved in this debate, but some of the remarks made, prompt me to make one or two statements.

The resolution calls for comprehensive marketing and farm income policies, and my understanding of this is that they do not lie within the jurisdiction of the provincial authority. Any policies that the province might develop, therefore, should be developed on raising levels of living for the farmers, through some other means rather than through these particular ideas, and I think that this Government can take a certain amount of credit for doing just exactly this.

One thing that disturbs me more than anything else though is that all Members here know that we are facing a different and a unique situation in the agricultural economy than we have ever faced before. I don't see how anybody could honestly approach this question in bits and pieces, the way that some members are suggesting now. A free pricing policy and the concept of the free movement of goods in trade have been long-since outdated. We don't live in these times anymore, if we ever did live in them. But, the type of world in which we now live is one in which we are developing trading areas and trading blocks, and one in which governments are entering more and more into the trading sectors of the various countries that they represent. There is no denying this fact, Mr. Speaker, and I think that we might as well reconcile ourselves that we are in this position, and that unquestionably we are going to move farther into this area.

Up until this point, however, agricultural policies have been based, I think, on two things: one is to provide Canada with a cheap food policy, and this has been done by methods that are well known to all of us. As I said, it did work fairly well when the country was being settled, and when there was a relatively scarce supply of goods. But, Mr. Speaker, now that we have moved into a period of relative abundance, this particular system of pricing and allocation of capital, simply does not work particularly well. If we persist in trying to patch up a type of system that is no longer applicable to the times, I think, Mr. Speaker, we can find ourselves getting into greater and greater difficulty, and the result of it will be that farmers will be pressed tighter and tighter against the wall. Because of their great capacity to produce to a limited market, we will find that as food supplies are increased, the consumers will pay relatively less and less of their disposable income on food, and we will find that more and more food

that reaches the market comes from fewer and fewer farmers, and we will find that farms will continue to grow in size. Now this does not necessarily mean that smaller farmers will just simply be forced off their farms. They may or they may not, depending on what level of living they wish to take. You may have developed in this country in the immediate future the same sort of situation that has developed to our great neighbour to the south of us, the United States of America, where in many commodities now 75% of the food that now reaches the market comes from 25% of the farmers. Any attempt to move back into a different era will not rectify this particular problem.

Another thing that disturbs me in this backward approach to what once was, seems to me that hon. Members opposite tend to ignore what is happening in terms of capitalization of land, and distribution of land. We all know that land values are being increased. They are not being increased in terms of the productivity of those lands, Mr. Speaker. What is happening is that farmers are capitalizing on what parcels of land they own, to drive up the prices of additional land they may wish to buy, in the hope that the productivity of the whole unit will get them out of difficulty.

Governments have attempted to meet this rising cost of land by doing one particular thing, and that is bringing in methods of financing the purchase of land over longer and longer periods of time, with a larger amount of a loan that a man can qualify for, providing, of course, that he is young enough. Now the end result of this trend, Mr. Speaker, I will suggest to you, is that we end up with the state controlling all the land. Because what can happen here is, you can take a mortgage for a piece of land which will extend over forty years. At the end of this particular forty years you may or may not have paid it all off. Let us assume that before the forty years is reached you wish to drop out. This land has never been yours; you've had it under agreement to purchase, you have increased some of your equity by paying off part of it. You have, what I would class as a cash-rental in terms of interest to your Federal Land Corporation, and at that point you refinance and a new tenant will then take on this obligation. And, in some of the older nations of the world, Mr. Speaker, this is exactly what has happened. As we move forward in this, ultimately you get to the point where the nation recognizes that no man will have in his lifetime the ability to recover this cost of land. So you have mortgages that go up as high as ninety-nine years.

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What I am suggesting to you, is that what we need to be talking about is a comprehensive reappraisal of the whole question of food policy, and food production. I think in terms of the advice that is offered to us by various economists and research workers, including the President of the University, Dr. Spinks, who has given some very sound advice. He has stated, and I agree with him, that we should have a total new approach to the whole question of food production, move forward in terms of what is a minimum level of income — a minimum level of living — would be the correct term, because incomes may or may not be relative to the level of living; and then design our policies to achieve them. We are not going to achieve perfect stability and everybody knows there will be always a certain number of people moving out of agriculture into other lines of employment. This is because land areas are fixed and our rural population simply can't expand to a greater proportion than the amount of land that is available.

The question then arises in this question of reappraisal, which method are you going to use to retain this group of people that you want to employ in other parts of your economy? Shall you do it directly through educational costs, or shall you use some other method of bolstering farm incomes for those people who can assist themselves in educating themselves, if there is a surplus of people? For instance, if a farmer had more than one son, if he has two or three sons who cannot become farmers because the farmer himself cannot give them the capital, then the question I suggest to you becomes a broader one, than we have been now looking at.

I suggest to you in all sincerity that this is the type of approach we need to take.

I would like to support this motion.

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, I, like the Minister who has just taken his seat, had no intention of taking part in this debate until I listened to some of the arguments put forward. At the outset, Mr. Speaker, I would like to congratulate the Minister who has just taken his seat, in that I believe his reasoning is close to mine. Perhaps, I shouldn't congratulate him, but I do believe that he has devoted a long time and a lot of energy in past years in endeavouring to come up with some of the answers

to the problems of the farmers, not only in Saskatchewan, but in Canada as a whole, and I enjoyed very much listening to him for the few moments that he spoke in this debate.

Mr. Speaker, I believe that this whole problem of agriculture is so great that I believe we may need a whole new concept of production and distribution of food stuffs, even outside of Canada. I do not believe that the agricultural program, no matter who produces it, can solve this problem in itself. I think you must consider agriculture and trade as one problem. I notice that when the seconder of the resolution spoke, he referred to the fact that Great Britain was spending \$700 million annually in subsidizing agriculture. This is one of the problems. Great Britain spends \$700 million annually subsidizing agriculture; we spend many millions subsidizing some other commodity that Britain could make much cheaper than we can; consequently we have increased the cost of living and the cost of production in both of our countries.

Now you know, and I know, Mr. Speaker, that there are many reasons for the British people and people in Europe and Asia subsidizing agriculture. Unfortunately one of those reasons is the fact that those people on several different occasions have nearly starved to death during times of national emergency. They find it most difficult not to subsidize agriculture, because of the fear of the returning of these conditions.

But, I am one of those who believe that we in Saskatchewan, and in Canada can produce agricultural products in open competition with anybody in the world with a few exceptions. There are a few exceptions, one of them being our producers of potatoes, and the Americans. They cannot compete with the production of potatoes across the line in the state of Main. But by and large, Canadian agriculture can survive in open competition with agriculture throughout the world. And, I am one of those who believe that when, for instance, Great Britain offered this country free trade, we should have grabbed it. We could have then saved the British people spending \$700 million a year on agriculture in Great Britain; we could have supplied that market. We could have taken goods and serves from Great Britain in trade, and consequently brought down the cost of living in this country.

Now there are some people who seem to think that if we have free trade, we're going to have more

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people unemployed. I don't believe that, Mr. Speaker, because we, being a small country in numbers of people, 18 million people, we must learn that we can no longer survive by supplying only our own people with either food or manufactured products. In order for industry to grow and to survive, and to provide full employment in this country, we must have access to markets where there are far more people than there are in Canada. Therefore, we must be competitive.

It is quite true that the interpretation of free trade of many years ago is probably obsolete, because as the Minister pointed out a moment ago, we do have these trading areas and trading blocks being set up in the world, and it looks to me like many more of them will be set up in the future. But, I am a little worried as to what trading block we are going to belong to. At the moment we apparently don't belong to any of them, and I believe that if we are going to have prosperity, not only on our farms, but for all our people, then we must be a partner of one or many of these trading blocks that are being set up. If we can do that, I want to suggest again that we could sell a lot of our surplus agricultural products, and we could import a lot of those goods and services that farmers have to buy, at much less money than we're having to pay today.

Now, I read over the list that was tabled by the hon. Member for Watrous, and I can hardly agree with some of his figures. I know they certainly wouldn't apply to my farm, but I'm not going to complain too much about that. I just want to point out that from the figures that he has tabled, one thing appears obvious to me: this particular farmer at the end of the year would have roughly 2200 bushels of wheat unsold. Now, there's his problem, because, if you take a farm or some 500 acres of cultivated land, and I presume there would be roughly 300 acres sown to wheat, and we'll say that this chap is a wheat farmer, well, if he had an average crop of 20 bushels, he would have 6000 bushels of wheat. That is what he would produce. But, he has sold only 3800, therefore he has something in the neighbourhood of 2000 bushels of wheat left on his hands. And, I think this is the problem that's confronting us — the lack of markets for disposing of wheat and other farm products.

Now, I know as a farmer, that I would like to have more money for all of the agricultural products that I produce, but I also know this, Mr. Speaker, that we cannot look forward to increased prices for agricultural

products for the simple reason that competition throughout the world is becoming greater rather than less. Therefore, I do not believe that we can look forward to increased prices for agricultural products on the markets of the world. I doubt if we can look forward to greater sales. That is sales to present buyers to take care of this surplus that has been produced over the past, and I suggest that it will be ever greater in the future. The reason I suggest that, Mr. Speaker, is this. During the 1930s the average production on an acre of land sown to wheat was about 12 bushels. In the 1940s it was 16 bushels. In the 1950s it was 20 bushels, and I suggest in the 1960s it will be 24 bushels. We're farming better than we ever farmed in our lives before, and there are many reasons for this. But, I am positive, given equal treatment from the Good Lord as far as rain and sunshine are concerned, that our productivity will increase. Naturally the consumption in the world is going to increase, but I do not believe it will increase as fast as the amount of grain that's being produced has increased in this country, and will continue to increase in the future. Therefore, this problem is going to get greater rather than smaller. It is true that over half of the population today, are hungry, and we know that but, it is also true that we have never, as the member for Qu'Appelle mentioned a moment ago, we have never devised a manner or a means of getting this food into the hands of the people who are hungry. The gentleman that sat where you are sitting now, for a good number of years, Mr. Speaker, returned to this country not too long ago after visiting some of those parts of the world that are hungry, and what message did he bring back? The same message that many people have brought, that a lot of the food that we now ship to the hungry people of the world never reaches them, it rots on the docks. So we have to set up a distribution system. Canada cannot do that. It can only be done through the united and joint effort of free people throughout the world. But, this is going to take a long time, and I doubt if a lot of our farmers can wait that long. Something has to be done immediately to take care of the problem that is confronting agriculture, not only Saskatchewan but in Canada as a whole. I want to say that I am prepared to give my full support and whole-hearted support to the resolution that we have now in front of us.

Sure, I could put blame on the shoulders of this Government for not having done certain things that might have helped to alleviate the cost of agriculture, but that is not the question at the moment, because this Government has neither the power nor the finance to solve

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agricultural problems. I know that, but they, on the other hand, do have constitutional power, do have finances and have refused to use them. The Government that sits opposite are as guilty as any Government that ever sat at Ottawa, and what is needed now is to put political parties in the ashcan and get together and solve this problem. It is true that there are farmers in this province who are hungry today. I don't know whether any of them are starving or not, but I have farmers in my own Constituency that haven't either the clothing or the food that they ought to have. This is a disgrace in a country such as Canada. We talk about feeding the hungry people of the world; we've got some people in Saskatchewan that ought to be fed. We haven't even devised the manner or the means of taking care of the needy in our own province, let alone of the needy scattered throughout the world. So I think, Mr. Speaker, that we had better clean up at home first and go on from there. Let us solve the problem that is closest to us, and then go out in a united effort, Liberals, Conservatives, Social Creditors, CCF or New Party — whatever they call themselves — in a joint effort to solve this problem.

Agriculture is what made Canada the country that it is today. I suggest that if agriculture is left in the doldrums, in the position that we're in now and have been in for sometime, that the whole of the Dominion of Canada is going to suffer. This country cannot survive as a great country without a prosperous agriculture. That is not the case today, and I believe one of the major reasons that you have a depression in Canada today, that you have mass unemployment, is because agriculture has not been taken care of over the last number of years. And, when you take purchasing power out of the hands of farmers, who normally are one of the greatest spenders in our country, is it any wonder that a general recession is knocking on our doors, and unless this problem is solved, Mr. Speaker, I suggest to you, that the other problems that confront Canada today will never be solved.

I take great pleasure in supporting the motion.

Premier Douglas: — Mr. Speaker, like everyone else who has spoken, I wasn't going to take part in this debate. I rise just for the purpose of making one statement, and that is that this resolution, I think, stresses one point that I think has been overlooked by those who have spoken from the other side of the House. That is, it points out that the main problem is the problem of marketing and farm income policy. I

know, of course, that the Liberal Party, when they're in Opposition, start to talk immediately about free trade. Of course, they never practice it when they're in office. We never had as high tariffs or as many restrictions on trade, as we had from 1945 to 1957.

Mr. McDonald: — You've got more now.

Premier Douglas: — We're getting some more now, yes, that's right. We're getting more now, but they were the highest at that time we'd ever had, and also, of course, they were the people we turned down. Not the only Government, but one of the three Governments that were mainly instrumental in scuttling the food bank. But, I am glad, that at least in Opposition, they suddenly become in favour of free trade, and in favour of food banks, and in favour of crop insurance, and all the other things they didn't do while they were in office. Their enthusiasm for these things always grows in direct proportion to the length of time they've been out of office. By the time they've been out of office ten years they will be enthusiastic about the things, that they didn't do when they were in office.

Mr. McDonald: — In six months we'll be back in.

Premier Douglas: — The Member for Melville wouldn't know the truth if he met it in broad daylight. The statement about the food bank is absolutely true. As a matter of fact, if he wants to know, his father was a Member of the Government that turned down the food bank.

Mr. Gardiner: — . . . promote it.

Premier Douglas: — They never got it. The Canadian Government, the United States, and Great Britain — all three Governments turned their back on it. You've only got to read the records of the World Food and Agricultural Organization to see that.

Mr. Speaker, the last speaker had said that what we have to do, of course, is get back to free trade and that we need greater trade to dispose of our products. I agree with him, up to a point. I say up to a point because the question of free trade, of course, is something which has to be agreed to by both sides and not just one side, and this will take some work. I think we missed a great bet when the British Government offered Canada an opportunity for reciprocal trade, and it was turned down. This was one of the great opportunities we passed by.

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One thing disturbed me when I was in Great Britain last fall. The Minister of Industry and myself spent a good deal of time with some of the British representatives, and with business concerns in Britain, and with Canadian Trade Attaches from different countries in Europe who were in London at that particular time. The European Common Market has now become so powerful that the British are facing the very awkward situation of either accepting an invitation to go into the European Common Market and taking in the Outer seven with it, or facing a very real prospect of hurting their trading prospects in Europe. The hon. Members will remember the background. When the European Common Market was first proposed, Great Britain was invited to join, and she would have joined if the nations in the European Common Market had agreed that while they would have free trade with one another, they would not have to impose trade barriers against other countries who were not members of the European Common Market. In other words Britain's suggestion was that they set up a free trade area, and not a common market. Some of the countries of Europe would have gone for this but France was particularly adamant, because she is a larger exporter of agricultural commodities. She said that if we are going to allow German and British manufactured goods to come into our country, then we in turn have got to get something in the form of a quid pro quo. We've got to get a protected British market into which we can sell agricultural commodities, and have a preference as against other countries from whom Great Britain now purchases agricultural commodities. This meant for Great Britain, that if she went into the European Common Market on those terms, that she would of necessity have to raise tariff barriers against Canadian wheat, and other farm produce, against Australian wool, against New Zealand butter, and other primary commodities from other parts of the Commonwealth. She knew that this would probably mean the end of the Commonwealth over a period of years.

Hon. Members remember what happened. Britain stayed out of the European Common Market, and she formed the free trade area of the Outer seven. This was a much smaller number of nations, and they were formerly trading with each other anyway. So it hasn't really helped much in terms of volume of trade. But, the European Common Market has had a tremendous increase. It has meant that, not only do goods move freely across national boundaries, but labour moves freely across national boundaries. When I was there, the last figures had just come in. Some 300,000 Italians had been moved into Germany to meet a labour shortage. There are no

immigration restrictions, nothing at all. They were needed; they moved in. There has been a tremendous boost to their trading position. So much so that some of the British firms and American firms are now finding it necessary to put up factories in Belgium and in Holland and in West Germany to manufacture goods which they formerly shipped into those countries. They're putting up factories inside those countries to manufacture their lines. This, of course, means that they are no longer employing people in Britain or in the United States, who formerly made those goods for export to the European market.

As I said, we were very much concerned when we talked to British industrialists particularly. They made no secret of the fact that they were pressing on the British Government to join the European Common Market. There were many who said that it is only a matter of time. We think Britain will be compelled by the logic of events to join the European Common Market.

I think Great Britain is still reluctant to join. I am sure that negotiations are going on behind the scenes, trying to get at least France and Germany to agree that if Britain does join the European Common Market, that she will not have to impose tariffs against any members of the Commonwealth in respect of primary products, particularly agricultural commodities. I certainly hope that if Britain does go into the European Common Market, that she is able to get that provision. If she doesn't, then we are going to be the sufferers.

I agree that relaxation of trade is inevitable. I hope that eventually NATO will become a free trade area, and that we will have an Atlantic free trade area, with United States and Canada, Great Britain and the European countries all in a single free trade area. This, it seems to me is the only way that Canada can survive economically as an export nation. We are in a very awkward position. We belong in two trading areas. We belong in the North American trading area, where we import 78% of the things we need, but we also belong in the European area, where we sell over 70% of our exports. Here we are, with a foot in two different trading areas. If we're excluded from either one of them, it will have a disastrous effect. Therefore, the matter of trade is important, and the matter of getting our goods into these markets is important.

I rose for the purpose of saying, Mr. Speaker, that we must come back to this resolution. Free trade in itself will not solve the farmers problem. Even if

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he can sell all his wheat, and all his other commodities, (and he has to sell them in an open unprotected market, at prices which are lower, and then has to buy his goods in a protected market where prices are high) he is still going to get less for his commodity than will pay for his cost of production. Therefore, free trade is the first step, but the important step is the cost-price relationship. This is where I differ very strongly with the present Federal Minister of Agriculture, who now keeps talking about diversification, and who says that price is not the important question. Mr. Speaker, price is the all-important question. It is the price relationship that counts. If the farmer could sell all his wheat, but sells it at a price which represents only 80% of what it costs him to produce it, he's going to be very busy going broke. We have to think not only in terms of selling our commodities, but getting a price for those commodities that bears some relationship to their cost of production. That can be done in one of two ways. One is that you can get his cost down. This is not easy, unless we have a Government in Canada that is prepared to reduce some of the protection behind which industry now hides. We haven't had it in Canada for fifty years, so I am not optimistic we're going to get it in the next few years. If we can't get that, or until we do get it, then the other alternative is, Mr. Speaker, that the Canadian economy as a whole must be prepared to make up to the farmer, the difference between the price he gets for his commodity on the overseas market, and the cost of producing that commodity. We're doing this for other people. We don't say to an industry in Canada, we'll set the price of a combine, or a radio or a washing machine by the price on the world market. Many Canadian commodities as you know, can be bought outside of Canada, cheaper than they're sold in Canada. They get the price that has some relationship to the cost of production. We're certainly going to have to do that for the farmers.

One thing could be done immediately, Mr. Speaker, and it would be a very simple thing to do. At least we could pay the farmer his cost of production on that part of his commodity which is consumed in Canada. But, to make a farmer sell his commodity in Canada on the basis of a figure which is set by the world market is most unrealistic. Everything he buys in Canada has some relationship to the cost of production, but, what he sells in Canada has no relationship to the cost of production. His price is set by the world price. Certainly on agricultural products, whether it's cattle or hogs or poultry products or dairy products, or grain, in

Canada itself, the Government of Canada could set a figure which would give the farmer, at least for that part which is consumed in Canada a price, which has a fair relationship to his cost of production.

I know the arguments. One is that you can't subsidize the farmer for something which is going to be sold outside the country. Yet, I turn to the United States. It is true the United States has a bigger population than we have, but it is also a major exporting country of many of the same agricultural commodities which we export. The United States has paid its farmers more for their commodities than can they realize when they are sold on the world market. In other words, as somebody said, every bushel of grain which the United States exports, is in part subsidized by the Government and, therefore, the people of United States. What has this cost them? It has cost them less than 1% of the gross national product. Relatively speaking it would cost us more, but this is a small price to pay for restoring purchasing power to a very substantial sector of the Canadian economy. I agree with what the member for Moosomin said. Our economic recession in Canada didn't start last year or two years ago. Our economic recession in Canada started back in 1953 when the cost-price relationship began to spread. From 1945 to 1952 there was a fair relationship between cost and price, and from 1953 on the spread began to widen. Costs began to go up while prices went down, and from that time on we began to see a reduction of purchasing power in the pockets of the farmer.

I think I told Members before, that when I attended the conference in 1955 in Ottawa, I asked Mr. St. Laurent if he would put on the agenda the question of farm income and markets. It was on at the end of the conference and I raised this whole question of what was happening to the farm sector of our economy. Interestingly enough, the first man to his feet in the course of this discussion, was the Premier of Ontario, who said, "We are already suffering from unemployment in certain areas of Ontario, Little pockets of unemployment are giving us concern," and he said, "Our Department of Labour has made a survey to see why we have unemployment in these different places in Ontario, but not in others. Our survey shows that the industries that are suffering from a drop in business in Ontario are those industries which in the main have depended upon the prairie farmer for their market." As far back as 1955, and these pockets of unemployment have grown, and they've grown in the main because of the decreased purchasing power in the pockets of the

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prairie farmers.

Even if it costs \$700 or \$800 million a year, in order to put purchasing power into the pockets of the prairie farmer, I think we could stimulate our whole economy. This would be a transfer of payment. It would deal with this lower third of our income group who in 1959 didn't earn enough to pay income tax in Canada. It would stimulate economic growth in Canada, if we gave to the farmers a price which was commensurate with their cost of production.

I rose to say that while I agree on this whole matter of advisability of food banks, and of freer trade, and of an Atlantic free trade area, let us not fool ourselves that we can avoid the major issue, which is a fiscal policy in Canada, that will so divide the national income, whether it is by deficiency payments or parity prices, it doesn't matter at the moment, will so divide the national income of Canada that the farmers will have sufficient purchasing power to buy what they need, and having a price for their commodity that will bear a fair relationship to the cost of producing it.

Mr. Speaker: — May I draw the attention of the Assembly, that the hon. Member for Nipawin wants to close the debate.

Mr. Robert Perkins (Nipawin): — Mr. Speaker, I think that this question has received fairly full discussion in this Legislature.

I only wish at this time to comment on one point that has been brought up by my hon. friends across the House. That is the fact of one of the main things being the carry-over of grain. I imagine that they referred especially to wheat. Now, I think it is no more than fair to say that this carry-over of wheat, at the end of each crop year, is held in the hands of relatively few farmers. I can remember two years when a survey was taken by the Wheat Pool in this province, in which they had their agents take a survey of the over-all stock they estimated was held by farmers at the end of the crop year and in two of the years I remember that the bulk of the grain was held by about 13% of the farmers. This means that the group that we are appealing for here have not in their possession an amount of grain that was embarrassing to the carry-over in the country.

Just in closing and in appealing to the Legislature to support this motion, I think that the

seriousness of the question cannot be over-emphasized. I don't think it would hurt to refer to the threats that are being made by what we often probably call the enemies of our system of living. You will remember that when Khrushchev, the President of the Soviet Union held the threat out to this country, he didn't say that it would be by dropping bombs on us. He said that we will bury you in foodstuffs, and in a good many cases they're starting out to make this threat come true.

So, not only because it's a threat from Communism, but because of the compassion that we have for the hungry people in the world, as well as the welfare of ourselves as farmers, I think that we have the right to lay this question in the lap of the Government of Canada. We can say all we like about the different methods that they can adopt to solve them. But, let the Government know that if they will take a bold and imaginative action to bring about some of the things that have been suggested by the speakers here this afternoon, that we will support them whole-heartedly in that effort. We talk about food banks and all the rest, and I don't wish to prolong the discussion any more on that.

I only feel that the seriousness of the question, and the position that we as farmers are gradually getting into in western Canada, and this province, justify us in placing this problem before the Federal Government.

I wish to support the motion.

The question being put, it was agreed to.

MOTION RE UNEMPLOYMENT

The Assembly resumed the adjourned debate on the proposed motion by Mr. Whelan, and the proposed amendment thereto by Mr. Klein.

Mr. Speaker: — When this motion was last before the House, an amendment was proposed on which I have not as yet given a ruling as to its admissibility. I have given the matter considerable consideration, and have a small statement to make in regard to it today.

“I have been called upon to resolve one of the most perplexing problems facing a Speaker, and at the outset I wish to thank all hon. Members who took part

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in the discussion of this point the other evening.

“I feel I must point out that it is my duty to decide whether a proposed amendment is in order according to the rules of the House; it is not my duty to determine whether it is advisable or expedient or desirable to discuss the substance of such an amendment.

“What must be decided in this case is whether or not the amendment is relevant to the main motion. Beauchesne, 4th Edition, Citation 203 (1), has this to say:

It is an imperative rule that every amendment must be relevant to the question on which the amendment is proposed. Every amendment proposed to be made either to a question or to a proposed amendment should be so framed that if agreed to by the House the question or amendment as amended would be intelligible and consistent with itself.

The law of the relevancy of amendment is that if they are on the same subject-matter with the original motion, they are admissible, but not when foreign thereto. The exceptions to this rule are amendments on the question of going into supply or ways and means.

“It is my duty to decide the relevancy of this amendment, and in order to do so I must determine the principle of the motion. While the motion deals with activities the Federal Government could undertake to alleviate unemployment, it is my opinion that the principle of the motion is the alleviation of unemployment. Thus the amendment which proposed joint action by Federal and Provincial Governments to alleviate unemployment is in order, and I so rule.

“However, I would point out to the House that, while ruling the amendment in order in this instance, I feel there is much to be said in support of the opposite decision, and I would not like to bind the House now or in the future, by establishing a precedent on this vexing question of relevancy.”

Hon. Mr. Brockelbank (Minister of Mineral Resources):— I realize that you have a difficult question to decide, and I realize also that it is a line decision which probably could have been made the other way

Confidentially I would have been a little disappointed if you had ruled it out of order, because you would have spoiled my speech.

Now, in discussing an amendment and trying to keep in order, Mr. Speaker, one must of course compare it with the original motion. What the intention of the original motion is, the effect the amendment will have on that intention. You are quite right in saying that the debate is on the amendment, but I do want to point out to Members that when I point to the main motion, it has to be done for the purpose of discussing the amendment. The motion itself, of course, is directed to the Federal Government purposely, because the question of unemployment is a national problem. It is not only in existence in Saskatchewan or Ontario or British Columbia, as a matter of fact, we have a lower per capita rate of unemployment in Saskatchewan than in most of the province of Canada. Therefore, it being a common problem to Canada, I think it is reasonable and proper that we should look to national action and national policies to cure this situation, and I have some pretty good people to support me on this question. It is only a few years ago since the Rt. Hon. Louis St. Laurent, then the Prime Minister of Canada, stated in Quebec City, in effect he said,

“If I and my colleagues cannot so manage the economy of Canada, so that there will be jobs available for all, then you had better throw us out of office.”

Obviously they didn't succeed in managing the economy in that way. Unemployment did increase, the people took the Prime Minister at his word and threw him and his colleagues out of office and put in the present Prime Minister who had been going to the people of Canada and saying in effect the same thing as his predecessor had said. He said, “Put me into office and we will cure unemployment.” He didn't say change the Government of Saskatchewan or he didn't say change the Government of Manitoba or change the Government of Alberta. He said give me power, give the Conservative Party power in Canada, and we will cure this question of unemployment.

This problem has been for a long time recognized as a national problem, and that is why these two Canadian leaders said these things, because they knew that the people of Canada realized that this is a national problem, and the people of Canada realized that only the national government has the kind of power to take the action to put into effect the policies which will

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make the fundamental changes necessary for a cure of this ill. Only the Federal Government has control of trade and markets. The Provinces have no control over even inter-provincial trade, let alone international trade. The national government only has control of the monetary policies. The whole question of purchasing power of the people of Canada is a national one, as is the regulation of money, the adoption of fiscal policy in Canada, how they are going to arrange to divide up among the people of Canada the total national income.

They have in the national government the widest taxing power of any government in Canada. In fact, there are as far as I know, no limits to the fields which the Federal Government conditionally may enter in regard to taxation, so that they have every power to use taxation either for the purpose of raising revenue, or for the purpose of transferring income, a part of the national income.

They have the power, if they wish to take it, to direct and control national investment, and of course, the national government is the only one that can do any economic planning on a national basis; planning designed to provide that the people of Canada, in all areas of Canada, will have an opportunity to work. Because this problem of unemployment is a national problem and because the national government only, has the power to put into effect these fundamental changes to cure this problem, then I must oppose the amendment, not because I do not think that the provinces and the municipalities should do everything they can to increase employment, we are doing that here in Saskatchewan, Mr. Speaker. We are even, contrary to the wishes of the Opposition, erecting buildings which will give a lot of employment in Saskatchewan. We are borrowing money so that we can carry on construction programs of various kinds, and again, against the wishes of the people in the Opposition. We are doing our part, and I think our municipalities are doing their part to create as much employment as they can. We have every incentive necessary to compel us to do everything we can, because when there is unemployment and distress we in the provincial field and in the municipal field are on the front line when it comes to taking care of these problems of distress. I don't think there is any question that the province and the municipalities will do their part to help to solve this problem. The things that we need are the things that are mentioned in the resolution, and the question of substantial contributions to assist, much greater contributions than are being made at the present time. One very

important thing is credit at low interest rates. We have heard a great deal about high interest rates, during the last few days, and if money were available to provincial governments in Canada and to municipal government at a rate of 2% or 3% interest, for good developments, there could be a tremendous program of development for good, carried on in this country.

Mr. Speaker, I have to oppose the amendment, and I will certainly vote for the motion.

Mr. Gardiner (Melville): — Mr. Speaker, in rising to speak to the amendment and to the motion that is before us, I feel that the words of the last speaker this afternoon probably expressed very well the feelings and the ideals of the party that represents the Government of this province at the present time. Government speakers have in many of the debates that have taken place through the years in this Legislature, shown a complete lack of responsibility towards the problems of the people of Saskatchewan. They like to get up time after time in this Legislature and try to place the responsibilities on a government which is many miles away. Whether it happens to be a Federal Liberal Government or whether it happens to be a Federal Conservative Government in office, it appears to make little difference. I have always claimed that those of us in this Legislature . . .

Hon. Mr. Brockelbank:— That is right, that is right, it makes no difference to you . . .

Mr. Gardiner: — . . . were sent here to consider the problems over which we have some influence and control in this Legislature. We were sent here to help to provide solutions through our word in the Legislature to the problems of the people. I feel because of that that we as Members of this Legislature have a responsibility when we discuss the problems of the people of this province first to seek a solution to those problems here in this Legislature.

However, if we find, Mr. Speaker, that we have done everything possible, considering the resources at hand, to bring about a solution to those problems, then I think we have the right and the responsibility to seek a solution elsewhere. Each of our political groups has representatives in the Federal House of Commons who should be capable of speaking for the group they

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represent and who place before the people of Canada and before the Federal Government policies and facts which they feel will help the people of this province. So I say this afternoon that I hope the amendment that has been moved, asking that we who sit here in this Legislature do something about this problem ourselves, will be approved.

In spite of statements that have been made by the Minister of Mineral Resources, there are many ways in which the Members of this Legislature can promote schemes and policies which will assist those who find themselves unemployed at the present time.

I would like to review for a few moments the statements included in the original resolution along with the amendments that have been moved. Course "A" would provide substantial contributions by the Federal Government to assist in the construction of highways, schools, power plants, power lines, telephone facilities and similar projects.

I believe, Mr. Speaker, that most of us in the Legislature would be prepared to support a motion asking the Federal Government to assist in these various projects, whether it is a time of serious unemployment or not. However, I believe that we in the provincial legislature must first accept responsibilities in this field which fall to us through the Canadian constitution.

The present Provincial Government, when campaigning in 1944, stated that education was a responsibility of the province and if they were elected, they would accept this responsibility. The Provincial Governments have always accepted responsibility for provision of such facilities as power and telephone for the people of the province. Therefore, I believe it is only right that we should extend our own contribution on a provincial basis towards provision of these facilities to the people to the fullest extent in order to expect serious assistance from the senior government at Ottawa.

The Minister who has just taken his seat referred to the fact that the Opposition had expressed opposition to the construction of a new power building in the city of Regina. This is correct, but at the same time, the Opposition expressed approval of other projects which we felt to be of much greater benefit to the people of this province and could have taken the place of those projects we oppose for the purpose of providing employment. So, I think that the statement that was made by the Minister indicating that Members on this side of the House, because of that stand, were opposing the construction of buildings

by this Government in order to provide employment, is entirely false. The Opposition takes the stand that there are many projects needed to provide proper facilities for our people rather than the building which is going to be built to house the staff of the Power Corporation in the city of Regina.

Now we come to the provision of credit for projects undertaken by the province such as housing and hospital construction. Mr. Speaker, most of the hospital construction is not undertaken by the province but by either union hospital groups or by municipalities or by groups entirely independent of government. Our Provincial Government up to the present has had no more responsibility than has the Federal Government in Ottawa. So I believe it is only fair that we should point out, with regard to this clause of the resolution, that the Provincial Government should accept a larger share of responsibility for the construction of hospitals.

As well, with regard to housing for our senior citizens and to enable them to provide proper housing for themselves, most of the work in this field to date has again been carried out by municipalities and so that here the Provincial Government would have again to take a larger share of responsibility and see that any monies were passed on from the Federal Government to the municipal government in order to make such projects possible.

So, with regard to item "B" of the resolution, I would say that here the amendment is entirely in order because of the fact that the province will have to accept all of the responsibility for passing on to municipalities any assistance received with regard to housing and hospital construction.

With regard to Clause "C" of the resolution, which would undertake long-range economic planning to guarantee the maintenance of full employment in Canada, Mr. Speaker, I think that any government who claimed to be a government believing in economic planning, would have a proper example at home of the success of such planning before recommending it to others. I am quite certain that many provinces in Canada today by far over-shadow the planning of our present Government in Saskatchewan who so often in their speeches praised the so-called socialist planning.

This quotation is taken from an article in the 'Reader's Digest' of May, 1949, written by Alfred Edwards, a socialist M.P. in Britain, who was expelled

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from the British Socialist Party for opposing the nationalization of the steel bill.

Hon. Mr. Walker: — What's this got to do with this Motion?

Mr. Gardiner: — I am quoting, Mr. Speaker —

“Until 1945 I shared with my colleagues in the British Labour Party an enticing dream of the brave new world which socialism would bring — a fair and fuller life for all. I have spent years discoursing on the defects of capitalism but we have seen the two systems at work side by side. The man who would still argue that socialism is the means of ridding our society of the defects of capitalism, is blind. Socialism just does not work. We must find some other means of dealing with the imperfections of the private enterprise system. We dare not abandon it.”

Hon. Mr. Lloyd: — Mr. Speaker, on a point of order.

Mr. Speaker: — Order! Order!

Hon. Mr. Lloyd: — I do not wish to interrupt the hon. gentleman who is practising his reading out of the ‘Reader’s Digest’ but it does seem to me there should be some relationship between what he is saying and the events which we are discussing. He hasn’t had the relationship for the last fifteen minutes.

Mr. Gardiner: — Mr. Speaker, I am referring to Item “C” which discusses the question of long-range economic planning and I am pointing out some of the possible defects in this subject.

Mr. Speaker: — Order! The discussion must be on the amendment, the desirability of the amendment or the discussion on the amendment itself, as related to the motion itself but not strictly on the motion itself. I am afraid that the hon. Member is talking strictly to the motion.

Mr. Gardiner: — Mr. Speaker, the fact that I am referring to the type of planning that we have in this province at the present time and pointing out that our Provincial Government should undertake proper planning in order to properly assist in relieving unemployment at the present and I believe that this view of what we feel . . .

Hon. Mr. Blakeney: — On a point of order . . .

Mr. Speaker: — Order! Do you have a point of order?

Hon. Mr. Blakeney: — As I read the amendment, it doesn't in any way refer to portion "C" and doesn't in any way suggest any economic planning by the Provincial Government. I may well have mis-read it but as I read it, there is no reference to paragraph "C", in any way whatever and I am at a loss to follow who the hon. Member is speaking about planning in this context at all with reference to the amendment.

Mr. Speaker: — I personally feel that what the hon. Member says is right. I would like to point out to the hon. Member from Melville that I do not believe he has already spoken in the debate. He is now speaking on the amendment and what he is now saying I think he would be better to reserve and would have an opportunity to bring this in when we return to the motion itself.

Mr. Gardiner: — I haven't spoken in the debate.

Mr. Speaker: — No you haven't. That is why I say you have an opportunity again but I do not think it should be brought in here but when we return to the amendment again, I believe what you are now bringing in would be better brought in at that time.

Mr. Gardiner: — I always understood that in the Legislature we usually speak on the amendment and the motion at the same time.

Mr. Speaker: — That is done when there is a motion which strikes out all the words after "that" which leaves you an alternative motion, or we have done so in regard to the Speech from the Throne, which is a wide-open debate at any time. But, when we are debating a specific motion, I think that it is a rule of parliamentary procedure that we stay with the amendment while we are on the amendment and then you will have an opportunity later to speak to the motion itself.

Mrs. Batten: — On a point of order, Mr. Speaker, this is just for clarification if it doesn't disturb the hon. Member. Is it not true that since the amendment has introduced the words "Provincial Government" this relates to parts "A", "B" and "C" that as long as the Member speaks of the work that the Provincial Government is doing relating to "A", "B" and "C" that he is in order, or do I not understand?

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Mr. Speaker: — I think you would be right but I didn't understand that he was relating this to the Provincial Government.

Mr. Gardiner: — I am relating this to the Provincial Government.

Mr. Speaker: — If all the remarks are tended as such as possible to the amendment at this time.

Mr. Gardiner: — Yes, I think they are, Mr. Speaker, because I am urging the Provincial Government that they should undertake the proper planning in order to assist at this time the problem of unemployment and I do not feel that the Provincial Government at present is carrying out, as it could, planning to assist. So, I am here relating what I feel the policy of planning has been like under our present Government which corresponds very closely to what is taking place under a Labour Government in Britain.

Proceeding with Mr. Edwards' quote. He stated that:

“The socialist Labour Party suffers from the curious illusion that the Government possess some magical power for planning industry. This goes with the delusion that capitalist industry is planless. The Labour idea of planning is to put some young lady or gentleman from the London School of Economics, without any practical experience, to directing some of our greatest industrialists, and their plans put into blueprint form are carried out by a group of civil servants and socialist politicians. The state now owns the minds, the Labour Party runs the state and the trade unions own the Labour Party. The miner's union is dominated by its secretary, Arthur Horner, a Communist who announced publicly that if England goes to war with Russia there will be no coal. The Labour Cabinet appoints the personnel of our industrial leadership, hence you find that the man in charge of a large regional department of coal is a former taxi driver who became the leader of a taxi union. He undoubtedly had some talents as a union leader but he certainly has no qualifications for running the coal industry.”

Hon. Mr. Brockelbank:— On a point of order, Mr. Speaker. I would just like to know how

he relates either to the amendment or to the motion.

Mr. Speaker: — Order! Would you please sit down. Do you have a point of order?

Hon. Mr. Brockelbank:— I just couldn't understand how he could relate that either to the amendment or to the motion.

Mr. Gardiner: — Mr. Speaker, I believe that statement pretty well expresses the type of planning we have here in Saskatchewan by the present Government at the present time. It is the type of planning, Mr. Speaker, that is today bringing into Saskatchewan many people from outside this province when we have 28,000 unemployed at present. Within the last few weeks, they have brought people from Toronto and Sarnia to take jobs in the civil services when there are people in this province going without work and going without jobs. I am quite certain if they had taken the trouble to look around this province that they could have found people prepared to do this work.

As well, we find that at the present time, in many cases, both the husband and wife in one family are hired and paid top wage by the Government of the province. I think, Mr. Speaker, there are many cases in which married women must work in order to help provide for their families but I do not feel that men in top positions of the civil service of this province are not receiving sufficient to maintain their family without their wives being placed on the payroll as well. For these reasons, I feel that the amendment is perfectly in order because it places the responsibility of this Government to undertake measures that would help in some regard to alleviate unemployment. It is our responsibility as Members of the provincial Legislature, to see first that we take whatever action is necessary in order to solve our own problems here in our province and unless we are prepared to accept that responsibility we are not in a position to urge the placing of that responsibility on others.

Mr. Speaker, I would support the amendment to the motion.

The question being put on the amendment, it was negatived on the following recorded division:

March 16, 1961

**Yeas — 7
Messieurs**

Batten (Mrs.)
McFarlane
MacDougall

McDonald
Gardiner

Danielson
Coderre

**Nays — 32
Messieurs**

Douglas
Brockelbank
Kuziak
Davies
Thurston
Nicholson
Whelan
Kramer
Snyder
Dahlman
Perkins

Dewhurst
Lloyd
Cooper (Mrs.)
Willis
Blakeney
Turnbull
Thibault
Johnson
Stevens
Michayluk
Broten

Williams
Walker
Strum (Mrs.)
Brown
Erb
Stone
Berezowsky
Meakes
Kluzak
Semchuk

Mr. McDonald: — Mr. Speaker, I beg leave to adjourn the debate.

The debate was, on motion of Mr. McDonald, adjourned.

SECOND READING

**Bill No. 46 — An Act to amend The Teachers' Life Insurance (Government Contributory) Act,
1960**

Hon. Mr. Blakeney (Minister of Education): — Mr. Speaker, this is a Bill to amend the Teachers' Life Insurance (Government Contributory) Act, 1960. Members will recall that the main Act is one which provides for life insurance for teachers on a group basis, and provides that the Government will pay the premium for the first \$2,000 of insurance and the teacher will pay the premium for all amounts in excess of \$2,000. The amount of coverage being graded in accordance with the salary of the teacher.

The amendment which is covered by the Bill in

question, is to add to the group who will be covered, the school secretaries who are employed on a full time basis and who hold a Certificate of Qualification from the Department of Education. They will be covered on the same basis as the teachers except that in the case of school secretaries no amount of the premium would be paid by the Government, and all of it would be paid by the secretaries.

Mr. Gardiner (Melville): — I wonder if I may ask the hon. Minister a question on this Bill. Why will the secretaries have to pay the premium on the whole amount, while the Government pays the premium on the first \$2,000 on behalf of the teachers?

Hon. Mr. Blakeney: — Well, I think the reason would be that we have felt that Bill as it related to teachers, was part of an acknowledged Government responsibility to improve the fringe benefits of teachers. The Government now assumes the responsibility with respect to teachers' superannuation and has in the past assumed some more or less direct responsibility for teacher supply, whereas in the case of school secretaries there has not in the past been any recognized Government obligations to provide them with fringe benefits, — if I may put it that way. They are in a different superannuation plan that does not, as far as I'm aware, call for Government contributions, and the request to include them in this Act was, in part, it seemed to us, a little incongruous, but at their request and upon the trustees and the teachers agreeing to it, we felt that there was no reason why they shouldn't be included in this Act if the teachers were willing to have them in. But we felt that there was no call in this case for public funds to go to provide them with life insurance as they weren't quite in the same class as teachers.

The question being put it was agreed to.

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