

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Fourteenth Legislature
29th Day

Tuesday, March 21, 1961.

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

On the Orders of the Day:

Mr. Speaker: — Before the Orders of the Day are proceeded with, I would like to draw to the attention of the hon. Members the invitations laid on their desks in regard to the Commonwealth Parliamentary Association Dinner to be held on Thursday evening at 6:00 o'clock. Not all have been turned in — I understand that nearly half of them have not been turned in — and it would greatly facilitate those who are handling the catering in regard to this dinner, if notice could be left with the Legislative Assembly Office no later than tonight.

MOTION RE EXEMPTIONS OF THE CANADIAN WHEAT BOARD ACT

Mr. Frank Meakes (Touchwood): — Mr. Speaker, the resolution that I am moving this afternoon, seconded by Mr. Kramer is:

“That this Assembly, recording its full support for the principle of Wheat Board marketing, regrets the Federal Government's decision to exempt feed mills from the quota and price provisions of the Canadian Wheat Board Act, requests that these exemptions be rescinded at the end of the current crop year and that in co-operation with the Provincial Governments concerned, a more practical solution be found to any problem that may be involved.”

Mr. Speaker, before moving the motion that I have on the Order Paper, there are just a few things that I would like to say in regard to it, to bring up a little history as to what caused me to put this motion on the

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Order Paper. On November 30, 1960, the Canadian Wheat Board announced a new policy in regard to the selling of grain to feed mills. This policy provided for the exemption of permit holders from the delivery quota regulations insofar as they apply to their deliveries of feed grains to feed mills designated by the Wheat Board, as non-quota mills. This means that farmers may sell their grain without regard to quota in any designated feed mill, designated by the Wheat Board within the province.

Mr. Hamilton, the Minister for Agriculture said, when this was brought into the House of Commons, that the reason that it was being brought in was on the advice of the agricultural committee of the House of Commons which had studied this in 1959, and had suggested that this policy should be reviewed. Again in 1960 the agricultural committee of the House of Commons recommended this and Mr. Hamilton said that he was bringing this in due to the advice of the agricultural committee.

I don't think it would hurt, Mr. Speaker, just for a minute or two to review the history of the Wheat Board, to review the history of the farmers of western Canada in trying to get stability in their sales of grain. Through the years 1910 to 1920 many farmers were feeling that there should be some stability in the price of grain, and by 1918 right after the war there was a great surplus of grain on hand, and the Government of that day brought in a Wheat Board to dispose of this surplus of grain. After a year or so this surplus was disposed of, and in 1921 the futures and the Grain Exchange, and the Grain Futures were reopened. At that time, again many farmers felt that this was not good, and they would have wished to have kept the Wheat Board in operation, but the Government of that day decided otherwise. Then the farmers of western Canada in 1922, 1923, 1924 organized the Wheat Pools, and I don't have to relate to this House the financial difficulties that the Wheat Pools got into in the late 20s, and how Governments including the Government of Saskatchewan had to lend money to the Wheat Pools when they had got into financial trouble.

Then in 1935 the Government of that day brought in the Wheat Board again. This time it was optional, a farmer could decide to sell to the Wheat Board or sell to the open market. During the last world war, in 1943, the Government decided that wheat should be handled by the Wheat Board only. Then in 1948, the policy of the Government in Ottawa was changed, so that oats and barley

must be handled by only the Wheat Board. In 1950 the feed mills were brought under jurisdiction of the Wheat Board, and the Government of the day asked that the three prairie provinces bring in complementary legislation. Now in 1957 the Manitoba feed mill was prosecuted for buying grain from farmers without proper regulations, and again in 1958 this same thing happened in Alberta. In both cases the companies were found guilty and in both cases the case was appealed to a higher court, and in both cases in 1959 an appeal court ruled that the feed mills were guilty of an offence of buying this grain without proper authority from the Wheat Board.

I would like to deal with what happened in the committee on agriculture in Ottawa, and also of the announcement of the change in policy. On November 29th, 1960, Mr. Jorgenson, parliamentary secretary to the Minister of Agriculture rose in the House of Commons and made a statement which changed the policy. And, I'm not going to read it all, but I would just like to read one or two excerpts from it:

“In 1957 a Manitoba feed mill appealed a conviction for violating Board delivery quota regulations. A similar case arose in Alberta in 1958. In both cases the appeal courts in 1959 upheld the power of the Board to regulate deliveries to feed mills. While the Board's authority was sustained there was a period of slightly over two years, from 1957 until late 1959 when the Board was unable to enforce delivery quotas to feed mills, because its power to do so were before the courts.”

Then he goes on and he states the reasons, and his main reason is that the agricultural committee of the House of Commons had so advised.

The same day that Mr. Jorgenson arose, Mr. Argue arose and commented on the policy, and again I won't quote all of it, but I would like to read two or three excerpts from it:

“The Canadian Wheat Board, as the parliamentary secretary has said appeared before the agricultural committee a year ago, but the Canadian Wheat Board very strongly protested the very policy that has been annunciated today. This policy will weaken beyond question the quota regulations that have been provided by the Wheat Board.”

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Further on it says:

“What will happen now is that it will be legal for feed grain mills to go out and buy grain from producers within that province, at as low a price as they can obtain it. This means under-cutting of the Wheat Board price. This means lower prices to the grain producers, and I’m afraid that it’s just the thin edge of the wedge in the undermining and destroying of the quota system that has been built up over the years.”

In regard to the Saskatchewan Grain Marketing Control Act, that was passed by this Government, and for which our Provincial Minister of Agriculture worked hard, and Saskatchewan was the first province to pass it, I think it was quite a bit through his persuasive ability that Manitoba and Alberta also passed complementary legislation. What happens now? Suddenly the Wheat Board, by the authority of the House of Commons announces this change without asking the Provincial Governments to change their legislation, and the Minister of Agriculture tells me that we have not been requested to change this legislation as yet.

I would like to deal, Mr. Speaker, for just a moment on who has opposed this and who has fought for it. First of all amongst the organizations that opposed this was the Farmers Union of Western Canada. I have here a submission to the Standing Committee on Agriculture and Colonization by the Inter-provincial Farm Union Council, dated May 13th, 1960. I would just like to read in part.

Farm Unions were discussing the brief that had been presented to the committee by the feed manufacturers trading section of the Winnipeg Chamber of Commerce. Farm Unions have this to say:

“The three provincial divisions of the Canadian Manufacturing Association who submit this presentation, now firmly request that existing regulations, whether statutory or administrative, be amended so as to permit feed manufacturers or processors of feed grain to purchase feed grains directly from the producers, free of quota restrictions, and at prevailing prices on a basis of supply and demand for processing and resale within the provinces in which the grain is grown. When questioned on the manner on which

they would decide on the price to be paid for grain, which they proposed to purchase direct from producers, we were only able to get an answer that they wished to purchase at 'competitive prices'. The only conclusion that we could come to was that these people desired to create a situation which would exploit conditions of surplus grain supplies, and have producers competing with one another for sales at any price.

We submit that this is not a desirable circumstance. This committee is aware that farmers of western Canada, rather than asking for lower prices for their grain, have been seeking to persuade Governments to give them a higher price. We have in fact requested that the price of wheat going into domestic consumption in Canada should be higher than for export. It seems entirely illogical, therefore, that feed mills should purchase grain cheaper than we sell it to our export customers.

Then the Farmers Union, further on in summing up say this:

"We do not believe that any purpose would be served by relaxing Canadian Wheat Board quota regulations. Rather it should be the purpose of the Wheat Board to enforce present quota regulations."

Then in a brief made by the Saskatchewan Farmers Union to the Government of Saskatchewan, on January 16th, 1961, they deal with one paragraph on this same subject. Under the heading of the Canadian Wheat Board they say:

"We are greatly disturbed by the recently ordered exemption of the western feed mills from the quota and price and regulations of the Canadian Wheat Board, permitting western feed mills to buy wheat, oats and barley for processing into commercial feed, directly from producers at negotiated prices which are considerably below Wheat Board prices. We consider these regulations as fundamental to the whole system of orderly marketing for western grains. We trust that your Government will maintain present provincial legislation designating the Canadian Wheat Board as the sole marketing agency for western grains."

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Now, there has been some misconception, some statements have been made as to where the Western Conference and the Federation of Agriculture stood. Again, I am quoting from the official mouthpiece of the Saskatchewan Wheat Pool, on the editorial page of "Western Producer", February 23rd, 1961, they say in part:

"The truth, of course, is that the Western Agricultural Conference did not support the new regulations. It voted down a resolution calling for immediate action to bring about the rescinding of the order. It faced up to the fact, Agricultural Minister Hamilton has stated in no uncertain terms, that the new regulations will be enforced on a trial basis until the end of the crop year July 31st, 1961, and passed a resolution which charges every member organization of the Western Conference to maintain a watch, and be prepared to recommend changes that may seem desirable at the end of the year."

Further on it says:

"Mr. Hamilton was in error when he remarked the other day that most farm organizations were in favour of the change."

Then, another Saskatchewan organization that has opposed this change is the Federated Co-ops, and again, I wasn't there, but those who were delegates at the annual meeting of Federated in January will tell you that Mr. Wilson who is the head of Federated Feed Plant who had apparently supported this brief was raked over the coals. But, certainly during that convention the delegates at the annual meeting passed a motion proposing changes to the new regulation.

Now, Mr. Speaker, in closing, I just want to point out what I think are the reasons that we should support this motion. I think one reason is that you will see there has been a downward trend in prices that the feed mills are paying in Saskatchewan. I have here a quotation from the Regina "Leader-Post," February 28th, dealing with this subject. It said that:

"Mr. Hamilton says that it is true in general across the prairie provinces that there had been no decrease in price, except for certain areas like Regina, Moose Jaw, and Saskatoon."

I submit, that they are the three main centres of this province, and we, I think should look at this very closely. Then the paper quotes the Saskatoon mill prices: No. 5 Wheat was paying 80¢: — the feed mills were paying, where the market price on that day was 90½¢ — they were paying 55¢ for barley, the market price that day was 71 7/8ths ¢.

Last week I was talking to Mr. Gleave the president of the Farmers Union, and he said he had checked last week, and that No. 5 or better was selling in Saskatoon at 85¢ instead of 90¼¢ . I noticed what Mr. Gleave had said — No. 5 or better. There is very little No. 5 wheat in the country; there were probably some farmers who were selling No. 3 and No. 2 wheat at the fine price of 85¢.

Another thing I think we should worry about is that although presently the trade between feed mills and the farmer is restricted to a provincial basis, I feel that this might be a step inside the door, as it were, where it won't be long before some feed mill say in Manitoba, might make a deal with a farmer in Regina. That is what they'll be pressing for, and trying to get legislation for, in my mind. Then they'll be able to buy wheat out of the province, and again pressure the price down.

But, most of all Mr. Speaker, I feel that this is the foot in the door, this may be the first step in endeavouring to break down the orderly marketing that the farmers of western Canada have struggled for over fifty years of more. It is interesting to know too, who are the Canadian Feed Manufacturers Association of western Canada. I have here a brief that was presented to the Agricultural Committee by the Alberta division and the Manitoba division and the Saskatchewan division, and I'm not going to burden you with all the memberships in those three organizations. Looking down over the regional members, there is Canada Packers, the Early Seed and Feed, Intercontinental Packers, the McCabe Grain Co., United Grain Growers Co., the Ogilvie Mills Co., the Quaker Oats, and so on down the line. It seems to me that this list of companies is a sign that it is not the farmers who would ask for this. I am personally convinced that this was a detrimental move that was made last November when the Wheat Board made these regulations.

For these reasons I hope this resolution gets full support by Members of this House.

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Hon Olaf A. Turnbull (Minister of Co-operation and Co-operative Development): — Mr. Speaker, before the vote, I would like to comment on the motion. I had hoped to see the Opposition make some sort of a stand on this issue, but they've been rather busy in silence, and I don't know whether this means that they are or are not in favour, but of course, when they vote, we'll find this out.

The one point that I'd like to make on this policy of releasing the feed mills, is the way in which it has been done so that they can scalp off any farmer that may have some surplus grains. This, to me, indicates not only as Mr. Meakes has said, a backward step, but it represents a flaw in the fundamental approach to the whole question of agricultural policy. I have endeavoured to put to this House before, that the approach to the agricultural problem must be on three fronts, and that is production and pricing and marketing. Our Federal Governments up to this point have been unable to move past this one point of greater efficiency in production. By concentrating on greater efficiency in production, apparently they believe that they can solve the problems that lie at the foot of the agricultural industry.

We, for our part, have endeavoured from time to time to put the point forward that this will not solve the basic problems that lie within the agricultural industry, and the effect of this feed mill regulation is simply to transfer the assets of the grain producers into the hands of the larger feed operators. I am not talking about the feed mills now, Mr. Speaker, I am talking about the individuals who by one means or another have been able to establish a rather large and significant feeder operation.

There are some substantial types of operations in this province, Mr. Speaker, and some of them are running herds of up to about 1,000 head. Now it is these people who are going to benefit in the main, other than the mills themselves, from this type of a policy. The average farmer will not benefit in any way particularly, because he in the main will feed his own grain that he raises. I do believe, therefore, that what this policy has done is to let the mills first of all capitalize on a particular situation, and it has played directly into the larger feeder operators that are in western Canada.

Now you might argue that this is a desirable step from the point of view of integration, and diversification

I don't believe that this is necessarily so. If you are going to diversify I think you have to be very careful on two fronts, and that is first of all, the rate at which you diversify, and second, that most farmers may have an opportunity to have some diversification. Now, once you get into the new modern factory type of production, particularly if it is integrated with a feed mill, I do not believe, that the average farmer is going to stand much of a chance, anymore than the average person who is raising eggs can stand up against the integrated egg producer who by his connections with the private trade and by methods of financing is able to establish an egg producing plant of 20,000 or 30,000 hens and produce hundreds of thousands of dozens of eggs each year.

Basically this goes back to one question again. What type of an agricultural economy should we have in this nation? This is the fundamental issue that interested me. There are two types that we can move towards. It is either that we attempt to maintain the family-farm type of operation, and by this I mean the type of a unit where the management is provided by the farmer-owner, where most of the labour is provided by the farmer-owner, where the capital is controlled by the farmer-owner, and the decision-making process is in the hands of the man who is operating the plant, or towards the factory farm. We can either have the family type of an agricultural economy, which is a diversified type of an industry, thinking of terms of where the units are located, or else we can move into a highly centralized and highly integrated type of an agricultural economy of which I suggest to you, Mr. Speaker, this feed mill policy is a part. It seems to me that this type of an approach is a move away from the family-farm type of economy and more into the factory-farm type of production. If we continue to move in this direction, I think we will be successful in producing large volumes of food, there is no question of this. I am not suggesting to you that we can produce them any more efficiently nor in any greater volume, however, than the family-farm unit, I am not aware of that point at all. One thing I am perfectly sure of, and that is most of the agricultural income is going to fall into the hands of relatively few of the operators, as we progress towards the factory-farm type unit. It seems to me, by following this type of policy, that the Federal Government is now proposing to us, that we can have large segments of our agricultural economy on a subsistence basis, where the farmers' levels of income will be low, where the amount

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of capital they control is low, and where they will subsist mainly in terms of what they can grow on their farms, and what family allowance may be coming in, and by what other off-farm income they may earn. It is this type of an agricultural economy that I think is undesirable for ourselves as a nation, undesirable for Canada, I don't think it will be any better for the consumer when the thing finally runs through, Mr. Speaker, because, if the control of food production falls into the hands of the large integrated operators, whether they be the men who are on the production side or the distribution side, I think ultimately the consumer will then be put in the position where he will be forced to pay a much higher price for no better quality of product than the family-farm type of unit can produce.

Therefore, I for one, am wholeheartedly in favour of the resolution, and absolutely opposed to the type of policy which benefits only the larger operator, whether he be a feed mill operator, or just simply the larger farmer. This to me is a backward step, it will do nothing for the consumer; it will do nothing for our agricultural industry as a whole.

Hon. I.C. Nollet (Minister of Agriculture): — Mr. Speaker, it is obvious that no one else is going to participate in the debate, but I think I ought to make reference to some of the aspects and circumstances under which the enabling legislation was passed by this House. As everyone knows, the Federal Government has stated to us that in order to make it possible to bring coarse grains under the Wheat Board, all three prairie governments would have to pass complementary legislation. The farm organizations approached their respective Provincial Governments in an endeavour to have them pass the complementary legislation. The Alberta Government was reluctant to do so, and refused the representations of the farm organizations. Similarly the Government of Manitoba refused. Subsequently there were two conferences held in Regina between the Premiers of the adjoining provinces and some of the Cabinet Ministers and our own Premier and myself here in Regina with the farm organizations. They were very determined that the respective Provincial Governments ought to pass this legislation.

I've seen a good deal of squirming in my day, Mr. Speaker, but I never saw the type of squirming that took place at this conference, on the part of the Provincial Social Credit Government representatives from Alberta, and the Liberal-Conservative representatives

from the province of Manitoba. I remember Premier Campbell, at the conference was very hesitant, and I still remember the farm organization representatives saying to them, "We want this, and we have changed Governments before and we can do it again." And, it was under those circumstances, Mr. Speaker, that the legislation was finally agreed to in the Province of Alberta, but in the Province of Manitoba they decided to have a plebiscite. But the farmers there overwhelmingly supported the principle of complementary provincial legislation to bring coarse grains under the jurisdiction of the Wheat Board by an overwhelming majority, if I remember correctly something in the neighbourhood of 75%, which is a wonderfully conclusive vote.

Now, this Legislature passed this legislation as I recall, unanimously. When the recent move was made by the Federal Government, we were not consulted in that matter, whatever. We were not consulted as to what the problems were that might be involved, if any, before the exemptions were made. It should be understood that they were made on a trial basis, but it is my understanding that the province of Manitoba will be required to amend their legislation, and possibly the province of Alberta. We will not be required to amend our legislation here. But, if the legislation is amended in the provinces of Alberta and Manitoba, it is going to be very difficult at the next Sessions of their Legislatures to have the amendment repealed again, if the trial period doesn't work out. So it is in regard to this particular aspect that the farm organizations feel that this is a danger and a threat to the Wheat Board system of marketing.

In principle, I'm convinced that you either have a marketing plan, or you don't have a marketing plan. Either all of the farmer's products ought to be marketed through that plan in order to assure a stable price, and also in the case of the Wheat Board, in order to afford equitable marketing opportunities at that price. Both of these conditions have been removed as a result of the Federal Government's action, and I must agree with the hon. Minister for Co-operation, that this will not only favour the large milling concerns but the large feed lot operators. This will not in any benefit the small livestock producer. In fact he will be put at a disadvantage in competing with the large feed lot operators that find themselves conveniently located to a feed mill.

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People can talk about price as they wish, the facts are, and I have evidence by correspondence, that farmers have sold their grain far below Wheat Board prices. This is inevitable under the operation of this so-called free enterprise law of supply and demand. We've had a surplus of coarse grains, and we will continue to have a surplus, and farmers will endeavour to get rid of that grain at most any price to get cash to meet pressing obligations. This is the free enterprise system of marketing that the farm organizations wanted to get away from when they asked the Federal Government and their respective prairie governments to provide the necessary legislation that would make it possible for bringing coarse grains under the Wheat Board. Now by one fell swoop, the Federal Government has ignored the expressed viewpoint of this Assembly as a result of the passage of the legislation by this House, and has to a great extent made ineffective the intended purpose of the legislation by this Legislature in the Session, I believe it was of 1949.

I thought hon. Members ought to be brought up to date on these points. I think this was an affront on the part of the Federal Government, in that they did not consult us before taking this action. Now, there may have been problems, and this motion makes it clear, that even though we believe that all coarse grains ought to be marketed to the feed mills, that if there are any problems then we ought to sit down and discuss them with the federal authorities and work out what I consider would be a more practical answer to any problem that may have been involved.

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, I had not intended to take part in this discussion, but because large feed lots have been referred to, and I happen to be associated with one of them, I think the record should be made clear that as far as our operation is concerned, it makes absolutely no difference to us whether we must buy our grain through the Wheat Board or not. As a matter of fact all of our grain is processed on the property and as a matter of fact we do custom work for farmers as well. If they deliver their grain to us, we process it for a set price per bushel, and they can take it home and feed it to their own cattle.

In addition to that, I think some Members and perhaps the Minister of Co-operatives has a misinterpretation of what is going on in some of these larger feed operations in the province. It is not easy for every farmer to provide himself with the necessary facilities to feed cattle, hogs, sheep, or any other livestock competitively today. It has been the experience of many farmers that if they take the advantage that is now being made available to them of feeding their own grain to their own livestock in a custom feed lot, in many instances they find that the profits are greater. Because an operation is large, it does not necessarily mean that all of the profits of that operation are going to one or two or half a dozen individuals. In many cases, and I know of one very large operation in the province of Alberta where they are feeding approximately 3500 head at the moment, the people who own the feed lot do not own any of the cattle. The cattle belong to small ranchers and small farmers scattered throughout the province of Alberta. I want to repeat that they have, through experience, learned that there is greater profit for them to combine their efforts and to come up with a joint enterprise than to endeavour to build small set-ups on each local farm.

It is quite true that there have been some complaints, and I think all of us have heard it from time to time, with regard to the marketing of all grains through the Wheat Board. I see nothing wrong with the resolution in that this resolution gives those people concerned the opportunity to present their case to the Federal Government and the governments of the prairie provinces, the Provincial Governments, to sit down and to thrash out these particular problems. I think it is a good resolution and as far as I know, the Minister of Agriculture's statement is absolutely correct, that this legislation was brought into being without consultation with Provincial Governments concerned, and I think consultation should have been held, but now all this resolution asks is that at the end of this trial period this program be discontinued and if there are people who feel that there could be changes made to benefit agriculture in general, then those people would have the opportunity to sit down with the Governments concerned, provincial and federal, and endeavour to work out a solution that would be satisfactory to all.

As far as I'm concerned I would be perfectly happy to support this resolution, and I think my colleagues will. Because, apart from feeding a little grain through livestock, we still have quite a lot to

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sell, and I, like most farmers, like to get all I can for it, and sometimes one is tempted to sell his grains a little cheaper in order to dispose of it, but I suppose in the long run that has a depressing effect on the market. For those reasons I would be more than happy to support it and I am sure my colleagues will as well.

Hon Mr. Turnbull: — I was fully aware of this type of operation, and I would like to know what your area of operations is, what is the maximum haul that these farmers can bring their cattle in and still compete

Mr. McDonald: — One hundred and fifty miles or so.

Mr. Douglas T. McFarlane (Qu'Appelle-Wolseley): — Mr. Speaker, I do not intend to take up too much time of the House at present on this subject. However, I suggest, this is one subject and one topic wherein a person can do a great deal of research. The more research you do on this topic, the more organizations and the more farmers you contact, you find that everyone realizes the difference of opinions of the people in the provinces concerned. I think that what the hon. Members across the way this afternoon have forgotten most of all is the trend and the pattern of livestock feeding in this province, insofar as future programmes are concerned. I think we all must realize, whether we want to or not, whether we are large-scale operators or whether we operate on the family farm basis, the trend in the future is going to be more and more toward the use of prepared livestock feeds. I believe that this has been borne out, and has been demonstrated, to us by the results of feeding programs, not by large corporations but by individual farmers, and I can best indicate results of this to you by the fact that the annual milk and butterfat production of dairy cattle has increased tremendously, not only over the past fifty years, but over the past five years. Each year more and more new world production records are being set by dairy cows. Year after year more production records are being set by poultry raisers, and hog raisers are getting their hogs on to the market at market weights, taking fewer and fewer pounds of feed per pound of gain and even this winter some of my neighbors haven't been able to finish off feeder steers using prepared mill feeds with anti-biotics and supplements along with their grain attaining a weight gain of about three lbs. a day. Thus not only to the farmers

on large scale operations but also to the farmers on smaller scale operations mill prepared feeds are becoming very important in regard to the livestock feeding program.

Another point that has not been mentioned or discussed this afternoon is the request of some of the grain companies for action of the type referred to in the federal Order in Council. Not that they were trying to ruin the principle of the Wheat Board marketing, but to try and have ironed out some of the discrepancies that have taken place up to the present time. And I would indicate that the eldest and first-established, farmer-controlled grain company in western Canada submitted a brief to the Federal Government asking that something be done to correct these inequalities. I think that what is being missed by the hon. Members on the opposite side of the House is the definition of a feed mill as designated by the Wheat Board Act. Any company who is in business, such as elevator companies, must buy the feed grain at wheat board prices, and in turn, they must abide by the regulations of the Wheat Board Act. But the independent feed mill operator can buy his grain, not at wheat board prices, but he can buy it cheaper if he can get it cheaper or he can buy it at higher prices, if he cares to do so. But he doesn't have to comply, as a feed company, under the provision of the Wheat Board Act.

I think that possibly one of the reasons why this type of federal legislation was brought in was because of the request of some of our farmer-owned and operated elevator companies, because of the inequalities involved. The fact that the Members opposite only pointed out two organizations in favour of this type of resolution doesn't indicate the general feeling in the country. Because, in all sincerity, there can be justifiable differences of opinion. We must admit that some of the livestock associations seem to be, at the present time, in favour of the regulation. Elevator companies, the one in Alberta and the one in Saskatchewan, plus the different livestock organizations as well. And I think that the farmers are going to use more and more of this type of feed - - -

Mr. Kramer: — . . . he gets too far from order.

Mr. McFarlane: — . . . because of the fact that the feed mills can buy anti-biotics and supplements in bulk much cheaper than the individual can because of volume, and can buy the necessary equipment to properly mix the formulated feeds cheaper than an individual can. I know of an instance where a farm

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unit has been showing and winning the grand championships at the local feeder shows year after year after year. Their coarse grain is sent to be milled to a feed mill and brought back to the farm in the form of prepared feed. This grain is processed and brought back to the farmer and done cheaper than they, the operators, can buy the protein, mineral and vitamin supplements and anti-biotics and mix them at home. So I suggest that these are all factors, to be perfectly honest, that we ought to be looking at in the interests of the people of the province. We must assess all those conditions, see what is going to be in their best interests in the year under review, and then I think we could support this motion. And if we are willing to sit down at the end of the year, taking all these factors into consideration, then I think we will be prepared to recommend to the proper authorities, or to the Wheat Board, what we think could be done and what we think should be done to make the situation more fair to all concerned and give to the individuals, regardless of whether they operate on a large scale or on a smaller scale, the benefits of any policy that we think would help. Because, after all, we must realize that only two-thirds of our grain produced annually is being disposed of by the Wheat Board principle of marketing. But figures indicate in the three prairie provinces alone there are still not sufficient markets for certain grains, and grades of grains, produced by the farmer.

Farming as I am, if I can fill my quota of coarse grains and my quota of wheat and have extra grain left over which I am unable to market and I want to turn that extra grain into a more profitable form of feed thereby increasing the disposition of grain as the net result, this, I think, is my personal business.

I am convinced that given favourable conditions we could still produce more grain than the farmers are able to dispose of and so I think that there is a great deal of room for discussion on the subject; and a subject about which we are going to have to take a serious and hard look at in the future.

I will support this motion only because of the fact that perhaps at the end of the year we will all be prepared to sit down and try and work out improvements or assess conditions at this point to see that we are working to the benefit of those directly concerned. So for these reasons I will support the motion.

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, the Minister of Co-operation asked a question a moment ago and I didn't give him the right answer. I gave him the figure of one hundred and fifty miles, I should have given the figure of three hundred and fifty miles. We have some cattle from about three hundred and fifty miles.

Hon Mr. Turnbull: — I wonder if I could have a subsequent question to that one. On what margin do you charge the feeding, because transportation will run you 1¢ for a hundred miles, alright, a seven hundred pound animal — three hundred feeder — \$6.00 both ways — three hundred miles \$18.00 — well I don't know where your margin is left over.

Mr. McDonald: — Well what happens is cattle move from west to east to the market, and fortunately our operation is east of the large ranches in western Canada, and the cattle are brought that far, and then when they are finished, of course, they don't go back west they go on east. It goes to the market in either Winnipeg or Ontario.

Mr. E. Kramer (The Battlefords): — I would like to ask the hon. Member for Qu'Appelle-Wolseley if he sees any reason why the independent feed mill could not be an agent of the Canadian Wheat Board?

Mr. McFarlane: — It is not for me to decide.

Mr. Kramer: — Certainly this should have been done a long time ago.

The question being put, it was agreed to.

NUCLEAR DISARMAMENT

The Assembly resumed the adjourned debate on the proposed motion of Mrs. Strum regarding nuclear disarmament.

Hon. Mr. I.C. Nollet (Minister of Agriculture): — Mr. Speaker, when I began speaking on this motion, before I adjourned it, I was unaware that I was

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inviting a potential danger perhaps not quite equal to an atomic explosion, but certainly a danger that all men dread. I did not realize that I would incur the wrath of the hon. lady Member for Saskatoon who was so well prepared for, and momentarily deterred from closing the debate. All of which goes to prove, Mr. Speaker, that the dangers of retaliatory action are not a deterrent to what people or nations might do under certain circumstances.

When I adjourned the debate on this motion, I mentioned that I had not expected to participate in this debate, however, in conscience I felt duty bound to give my contribution to the debate on this motion, because I sincerely believe that this major problem transcends all other problems facing humanity throughout the world. Unless nations, regardless of race, color, political, or spiritual philosophy, collectively renounce violence as a means of settling international differences, there is little hope for human survival. Everyone agrees with this, but few are prepared to lay aside their carefully cultivated suspicions, fears, and prejudices in order to achieve this worthy objective.

The real issue is often lost sight of in the flurry of cross accusations. I often feel that those who engage in this unworthy and now dangerous sport might give heed to the simple warning contained in the Testament. "Let he who is without sin, cast the first stone."

It seems to me, Mr. Speaker, that the future destiny of all mankind hangs in the balance. We will either have a wonderful new world providing opportunity to mankind for still greater achievements, materially, intellectually, and spiritually, or we face almost certain doom. It is this, Mr. Speaker, that makes the past concepts of defence different from what our concepts ought to be today.

I noted a T.V. program the other evening, maybe some of the hon. Members looked at it. It's a program put on by the Prudential Life Insurance Company, "Twentieth Century", and in this program they depicted the new and powerful weapon that had been successfully launched, called the Minute-Man. It is a solid fuel weapon, and it illustrated too, that these weapons could be dispersed underground, in what they term "silos," throughout the United States, and that these weapons could be conveyed by rail from point to point in the United States and

launched from a railroad carriage as well. A good deal of the technical aspects involved were explained in brief on this program, but the thing that impressed me more than anything else was that here one great nation, and perhaps similarly another great nation, is preparing mass death on a large scale, and all of these stations are linked together by communications to the point, Mr. Speaker, that one dreads the possibility of war not by deliberate action, but war by accident. This can very easily happen.

It is hard for me to comprehend the minds of people who will not protest this type of defence in the kind of world we live in. They still talk about 1939. They still talk about 1914. Yes, we were unprepared for war, it is true, we were unprepared, but happily, Mr. Speaker, we won. We won, because we hadn't dissipated all our resources in mighty prior military efforts, as our opponents had. We won, and I think too, perhaps, there was something to the majesty of having right on our side in this issue.

But all of this has now been changed. There is no more survival. There is no more defence. In those days wars, as we believe, were fought because of rugged competition between nations. The next war that we speak of is an ideological war, and I will defy anyone to draw a bead on an idea. You can't shoot it; you can't see it. But still, we propose to meet this challenge on a huge modern military scale. I cannot agree with this point of view.

It seems to me, Mr. Speaker, and I wish to draw the attention of the House to the fact that the nations attending the recent Commonwealth Conference went on record as in favour of disarmament. Everyone agrees with this today. Everyone sees the potential dangers in the present situation. I noticed, Mr. Speaker, that some of the previous speakers in this debate stated some of the reasons why we ought to continue as we're going, to ultimate destruction. One of the reasons was we can't trust the other side.

Well, this is not a new reason. This reason has been advanced since the dawn of history, where people had differences. Obviously people will not trust their enemy until you can somehow reconcile the differences of opinion, or the apparent differences of opinion between enemies. We have this same feeling emerge in this House occasionally, when people get so wrought in temper that they feel they can't trust anyone anymore. But a few words in exchange of viewpoints in the corridor usually dissipate any suspicions and fears that we've had. And

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nations are not any different than people.

I can see the hon. Member for Humboldt smiling, but I hope what I have to say will at least to some extent illustrate what perhaps is close to her line of thinking on a very important subject.

I also noticed some conflict in the opinions expressed by other Members. The hon. Member for Moosomin stated that he supported the proposal, that China should be admitted to the United Nations, as he put it, to bring China under the rule of law. Everyone is in agreement with this too. Now, the hon. Member for Souris-Estevan, however, took exception. He took the viewpoint that the admission of China to the U.N. would not be a move towards peace. Certainly it wouldn't be a move towards war, but the practical facts are that here is a nation of 600 million people that can not long remain isolated without growing danger. At some stage these 600 million people have a right to representation in the councils of nations of the world, and this they can't be denied. Whether we agree with their philosophy or not, and the best way to drive them in a contrary direction, which we consider to be evil, is to try to isolate them. This is impractical and it's impossible, Mr. Speaker. It is for that reason that the United Kingdom and Canada have taken some leadership in this regard.

I don't know why the United States opposes this, unless they have set themselves up as being the guardians and protectors of all other people. I think this too, is a right that belongs to the United Nations, and this is a power and authority that ought to be vested only in the United Nations, if we're going to have a United Nations that is strong and effective.

The hon. Member for Souris-Estevan stated that we should not ally ourselves to peace fronts, and the obvious reason given was that to do so is promoting the interests of the Communists who, he says, are deliberately setting out in a plan of propaganda that would make us weak by becoming defenceless. Well, Mr. Speaker, I am inclined to think that human beings are pretty much the same, no matter where they live or under what ideology they live, certainly no one wants to be atomized. We all have this fear of death, and the desire for survival. This is part of human nature, and I think that they are just as much afraid as we are, and it is this fear and suspicion, unrestrained and encouraged fear and suspicion that is driving us to the very thing that we are all afraid of, Mr. Speaker.

I am trying to be logical in my arguments. I'm trying to be logical; two and two make four, but the hon. Member for Humboldt would have them make five. I'll have a few more things to say to her. I hold to the same religious persuasion.

Mrs. Batten: — I would like to draw your attention to the fact that I haven't been drawn into this debate. I haven't spoken on this at all.

Hon. Mr. Nollet: — Mr. Speaker, a lady doesn't need to speak, her smiles and her laugh will tell you a lot more than words. I've learned that by sad experience over the years, Mr. Speaker.

Mr. Speaker: — Order! I must draw the hon. Member's attention to the fact that I cannot give a ruling on that.

Hon. Mr. Nollet: — What I'm trying to point out is that the reasons advanced for continuation of nuclear armament are not valid reasons anymore. We are told that Russia is out for world domination, in terms of ideology particularly, and that co-existence on a peaceful basis would be to her advantage. Mr. Speaker, I don't want to admit that. I will never want to admit defeat by saying that we are unable successfully to compete with Soviet ideology in a peaceful atmosphere. It is in this particular direction that I think we're going to be successful. We can't achieve our objective through war, there is therefore only one alternative left, and it is for that reason that I stated at the outset, that we cannot hope to find a solution in war, that we can only hope to find a solution in peace.

The other fact is, Mr. Speaker, we at one time enjoyed complete domination in terms of nuclear power. Since then, as everyone knows, the Soviet Union has caught up, in fact they put vehicles of greater tonnage into space requiring greater power than we do. We must accept the fact that they have similar striking power. We were the first to adopt the policy of containment by military force, by military effort, and I submit it hasn't worked. Communism continues to spread. More and more people fall under this influence. People who view us and our activities here, and who are ready to appraise the workings of our own democracy in terms of the greatest good to the greatest numbers and also to appraise our sincerity or otherwise, in trying to help them to

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better their circumstances. It is not good enough, Mr. Speaker, to help other nations, because we're afraid of Communism. When we do so on this basis we merely adapt our fears against Communism as the reason for feeding hungry people. Well, hungry people are intelligent, and they can very well appreciate this deception.

I am arguing that we must be absolutely sincere in our motives. I think that the day has long gone when one can get rid of the devil by cussing the devil, or that we can make people better by constantly talking about the devil and his evils. We must talk about good things to make the people better, and certainly you cannot meet an evil by a counter-evil. It can't be done. You can't change a wicked man by threatening him with some retaliatory measure as a punishment. You make people good by your own example, and also by your relationships with them. If we do that, sincerely and honestly, we need have no fear.

The hon. Member for Gravelbourg stated that we now have all the more reason for military deterrents, and his reason was this — that if we did not have this terrible deterrent force, a deterrent force far beyond the deterrent force of our adversary, that we would not survive to do good. Well, he's forecasting a long time ahead and I must agree. Personally I would rather live to do good than to use a deterrent that is going to destroy my adversary and myself in the process. He mentioned fighting fire with fire, but I suggest, Mr. Speaker, that we're not playing just with fire under modern circumstances; we're talking about life and death for all humanity.

The view I am expressing are the patriotic views of sound, reasonable, and intelligent people and are well accepted by millions of people throughout the world who have great concern regarding the future and present trends in world affairs.

It seems to me, Mr. Speaker, that a reasoned and sensible approach to these matters has for some reason been held up as being unpatriotic, or the people who express this viewpoint are somehow associated with the other side. Well, Mr. Speaker, I've given some reasons why this isn't correct. As far as I am concerned, I want to align myself clearly on the side of conscience and reason in order that we might avoid mutual destruction.

The hon. Member for Gravelbourg said we could not help underprivileged people if we were destroyed. I mentioned that already. This is quite correct, and this is the reason that I think a new approach to these problems is necessary, and above all a more constructive rather than negative approach.

The simple facts are no one can win the next war. Above all else, you cannot restrict a bad idea or promote a good one by using atomic bombs or any other weapons. There is no target for these weapons other than human targets by the millions, and these millions of God-created people, to my mind, represent humanity's and God's hope for the future. We have no right, Mr. Speaker, to assume unto ourselves the powers that all of us agree rest with Divine Providence alone. I have confidence, Mr. Speaker, that since Divine Providence has presided over the destiny of man since the dawn of creation, he will continue to do so in the future.

This is not the first time that the world has been torn to pieces by conflicting ideology under which people were prepared to destroy one another. It is not many years ago, Mr. Speaker, when Christians were at one another, and very recently indeed. And, when the so-called Infidels overran Europe, and when the Romans put the first Christians to death, and why? Because, these Christians believed in a Gospel of human love, and human brotherhood, and the Romans didn't believe in that. They believed in settling issues by strife, by violence. They didn't like these kind of people so they put them to death, and never in the history of Christendom was Christianity at a higher level than in that period, and under those circumstances, and it survived. The ideals and philosophies of Christianity survived wars, survived corrupting influences for centuries, and it is here to-day for man's continued guidance and survival.

It seems, Mr. Speaker, therefore, that we have no choice other than to provide constructive and reasoned alternative deterrents. I don't want to admit that we of the Christian belief are unable to compete with Communism, on the basis of peaceful co-existence. To say we can't do so is in fact a sign of weakness. Surely, we have enough faith in our way of life and the principles for which we stand to put them to the test. If we wish to put this question on the basis of winning over communism, we can better win the fight, as I said, in peace rather than in war, and the weapons will not

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be military. All arguments for military instruments of defence are predicated on the fact that war is inevitable, unavoidable, and that this is the only weapon of defence against the spread of Communism. With this, in my remarks, I take issue Mr. Speaker. As I have mentioned there are other weapons that we haven't as yet considered. The fact is, as I mentioned before, we are losing on this basis. It is time, I think, that we consider a new approach to these problems.

I can recall, Mr. Speaker, during the last World War, and previous to it we were told that the Japanese were atheists steeped in emperor-worship, sun-worship, and that they committed hari-kari as a way out, and we also ridiculed the Japanese militarists for glorifying hari-kari as a normal way out of shame and disgrace, and that this was the highest expression of patriotism to country and loyalty to the Emperor. We held to the view that this ideology was unchristian, that we should not sit in judgment on ourselves to the extent of taking our own life, that this was God's prerogative, that this was suicide, because in our belief God created life, and only he could pass judgment on matters of life and death.

Imagine someone saying, Mr. Speaker, "I hate so and so's ideals so much, that I am prepared to use violence to get rid of him, and his ideas, even if it means getting rid of myself as well in the process." This is almost what we're asking our people to do. We're asking them, that in the hope of survival they crawl in a little hole in the ground, and close their eyes, hoping that they will be the fortunate ones to escape. I think scientists have pretty well disapproved any possibility of escape, shortly after, or for any great length of time after. Everyone is concerned now with radiation effects throughout the world as a result of the tests. All we need to do is wake up to the fact that if an actual war took place, an atomic war, then what would the situation be in terms of radioactivity. This is the kind of future that is in prospect, Mr. Speaker, for humanity. We must have something more hopeful than this.

I think that there are millions of people throughout the world who believe that we can find answers to the problems. You and I, Mr. Speaker, and indeed all people who still have faith in the golden rule of Christianity as a way out, should have the moral courage to put our beliefs into practice in a positive and very

practical manner. Of course, I mentioned that a good deal would depend on our approach. If we are prepared as a nation to sincerely assist the underdeveloped countries in achieving a higher living standard, we will not only be doing ourselves a favour, we will be doing all humanity a favour, and certainly at the same time we must make democracy work at home in justice and equity to all our people within our own realm of jurisdiction, and thus prove conclusively that these principles of democracy and our entire philosophy and outlook on humanity is something that can be trusted and depended upon. I think it is on this basis, Mr. Speaker, that we must find an answer to the terrible calamity that is in the offing.

Determined and constructive measures must be taken to stop these trends. I submit that the greatest deterrent we can muster would be to first of all, allay fear and suspicion, and then without saying we can't come to any agreement on disarmament, because we can't trust you, and for other similar reasons, but it is a must, and we should not argue over the technicalities of inspection and implementation etc. The first thing is to agree that this is going to be done in principle, and then follow through. I believe that it can be done, and if this is achieved, this twentieth century can be saved and can be one of the greatest centuries in human history for the benefit of humanity. We have all of the scientific and technical know-how to make this world a truly God-like world in which to live in.

Mr. Speaker, I will support the motion.

Mrs. Batten: — Mr. Speaker, may I ask the hon. Member a question? I was sending over a message, but he didn't receive me, so apparently our means of communication wasn't working all the time. I would like to ask the hon. Member if he is suggesting, and I'm not clear on this point, is he suggesting, that we should disarm even if the Communist countries do not?

Hon. Mr. Nollet: — No one could by any stretch of the imagination take that meaning out of anything I said. No. Disarmament must be mutually arranged. One of the problems, Mr. Speaker, has been that when we approach the disarmament table something always seems to happen, because someone said something or did something that created additional fear and any proposals submitted are called off. I would suggest this, Mr.

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Speaker that we forget the career diplomats, and that people get together at the top level and come to an agreement in principle and then let the career diplomats work out the details.

Mr. A.C. Cameron (Maple Creek): — Mr. Speaker, I am certainly ill-prepared to take part in this debate, because I wasn't intending to do so. But, I had interested myself in reading some of the viewpoints of outstanding leaders in the world, in regard to this problem of nuclear war and disarmament. I just finished reading a book by Henri Paul Spaak, who was the head of NATO, one of the great statesmen of the day, and one of the greatest socialists in the world. I was rather interested in the view that he took in this whole matter, and it was brought to mind when the Minister of Agriculture said that the policy of containment has not worked out.

Now Henri Paul Spaak takes an entirely different view. He points out that after the last war the countries of Europe, as they always did, went home, attempted to disarm themselves, release their men from uniform, and to put themselves to work in rebuilding their country. He goes on to say that they had worked with Russia in war, and they had hoped to co-operate with Russia in peace. Then he goes on to say, that Russia had other ideas, and they found it was impossible to do so. Then he traces this history from the end of the war, and he said that Russia refused to co-operate with the free nations of Europe because she had other things in mind, and then he traces how the first step was to annex the Baltic states, part of Finland, part of Poland, and Czechoslovakia, and part of Roumania and part of Germany. Then he said, "By 1947 the movement had gathered momentum, in that Russia had seized power in Hungary, and in Bulgaria."

Then he goes on, "By 1948 one half of Europe had fallen to slavery," and he said, "Faving this block and this massive threat to Europe, was the western world which had hastily disarmed since the armistice in 1945," and he said, "It became clear to them that if they were to preserve liberty and security against the Soviet Union in her determination to overrun Europe, there was only one thing to do, and that was unite the nations of Europe in some defensive alliance."

He points out that when the United Nations was formed, it was thought advisable at that time to be realistic, to grant the five principal powers of the United Nations in the Security Council the right and the decision to veto. And, he pointed out that in thirty vetoes in the Security Council, that Soviet Russia was successful in preventing every move of the United Nations to preserve peace. So, as a result of this, there was no alternative, but to call these free nations of Europe together, small and insecure as they were, to form a defensive alliance against the onslaught of Russian Communism throughout Europe.

He talked about the Brussels Treaty that was signed, where the United Kingdom and France and the Benelux countries decided to band together in a defensive alliance, weak and dismantled as they were. After having done this, they knew that they were in no position with their forces and their arms to contain this advance of Russia. The only logical thing then to do was to appeal to the strongest nation in the world, to the United States. He says that in 1949, upon appeal to the United States, asking her to join this European alliance, that the United States assumed her responsibility as a free power of the world, and she joined in with these weak nations of Europe to form a defensive alliance, and that in the Washington Treaty when the United States came in, Canada came in likewise and also Italy, Iceland, Denmark, Norway, Portugal. This became the most powerful defense alliance that the world had ever known. This alliance was based on “the basic principle of life — of the inherent right of self defense.” That is why the NATO alliance was formed.

It was necessary to have this deterrent along the border facing Russian. For twelve years NATO has been successful in preserving peace in the world for the free nations. Now, that is Mr. Spaak’s statement, and that that has been the only thing that has saved the world during these twelve years from complete domination and overrunning by Communists.

Then he spoke of the necessity of having these nations combined together in groups of forces to form a defensive shield bordering the iron curtain countries. He said, “One of the essentials of this defensive alliance, the shield force, is that we must put at their disposal every modern equipment of warfare that is known.”

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He says that it is absolutely essential that this force have the access and the right to use nuclear armaments.

Now then, this resolution says that we should refuse to permit nuclear weapons on Canadian soil. I think there is something to that, and I think it is a good step, but I can't agree with the section that says, "and forbid the Canadian forces to use nuclear arms anywhere." Because, our Canadian forces are committed to NATO, and it would be a very sordid duty for Canada, if, taking their share of responsibility in protecting us along this iron border, that they should not have the protection of the same modern weapons as their neighboring countries have, right alongside of them, and in the event of attack they would be slaughtered before they had a chance to defend themselves. These are some of the responsibilities that we must look at. It is all right to preach these idealistic points of view, but I've heard people preach about the world that we should have, in which little children can go arm in arm with the most vicious beast, because they have all come to realize the love and the understanding of each other. Well, I've seen too many little children in the national parks, feeding a harmless, playful-looking little bear, the most innocent-looking thing in the world, and yet to find that within a second of the turn of the head, that their arm is missing. I think Henri Paul Spaak, realizes that this is exactly the situation here.

He said that we must realize these idealistic things as we would like to see them, people are carried away, and he said further that as for this talk and these resolutions about banning the atomic bomb, banning all nuclear warfare, the net result is only to weaken the will of the people to resist, and once you do that you've weakened the hand of the Government in meeting its commitments to keep this protective alliance going. We must realize that we live in an imperfect world, and so long as the world is imperfect, we must exercise an inalienable right of self defense. The fact that we have NATO, and the fact that we have NORAD is not an indication that we are war-mongers, or that we are going to be wreckless in getting alarmed, and as someone suggested, that a flight of geese up in the heavens somewhere could trigger off a nuclear war.

He says that the first step to negotiations is that we must meet the Communist threat by being equally as powerful as they are, and the only way that you can talk to them is on an equal status. Once we get ourselves in a position where we have neutrality, where we say our

intentions are good we don't want any war with anyone, where we want to help all that we can, then he says we've weakened the nation to this effect, that any nation intent on conquering another or conquering the world, will not respect the signpost of neutrality, and that they will be the first to suffer as the result of that neutrality. Those are very strong words, and he says, "Neutrality is synonymous with extinction." That is his thinking on it.

Are we in favour of banning nuclear arms? Yes! Are we in favour of getting rid of the atomic bomb? Yes! Are we in favour of stopping all testing of atomic bombs? Yes! But, only on condition that it will not be piecemeal, in which we will agree to a ban on nuclear arms, as Russia is suggesting, simply to get these forces disarmed along the iron curtain and to take away from them their nuclear weapons. It isn't sufficient only to have nuclear disarmament, we must have conventional disarmament every step of the way with it, because our forces are weak in conventional arms as well.

It is all right to say that we should accept the Russian proposal of nuclear disarmament, but, we must insist that hand in hand with nuclear disarmament must come conventional disarmament. I think that the recent conference of the Commonwealth, outlined the principles of disarmament in a concise and forthright manner, and I think it is the only way that we can proceed. Sometimes I get a little nauseated at all of this fine talk about how much we could do because our hearts are pure and our will is there. I recall again to the words of Henri Paul Spaak, "We live in an imperfect world, and first and foremost we must take the necessary steps to defend ourselves," and at the same time to go forward and do all that we can do in the interests of peace and in the interests of disarmament, as equals, letting anyone who would attempt to devour us realize that he will meet first a formidable force. The only way that you can talk to a nation as determined as Russia is tin world domination, is to be able to say to her first, "If you should be foolish enough to begin anything, you will find a force equally as strong to oppose you." We must form these alliances to prevent war, or else we will find ourselves forming an alliance afterwards to win a war.

I want to read what was said in the House of Commons in the debates, when they were discussing the admission of Germany to NATO. I was studying that some weeks ago, and I happened to copy it down for my own

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reference, and it struck me as being rather good. This chap was quoting Malensky from Russia, and he says that at one time he was head of the Comintern, and was the man who betrayed the Ukraine, and led that nation into a trap, and this is what he quotes Malensky as having said:

“War to the hilt between Communism and capitalism is inevitable. Today, of course, we are not strong enough to attack. Our time will come in twenty or thirty years.”

And he says that time is fast approaching. Then he quotes this as the Communist statement at the Comintern:

“To win, we shall need the element of surprise. The bourgeoisie will have to be put to sleep, so we shall begin by launching the most spectacular peace movement on record. There will be electrifying overtures, and unheard of concessions. The capitalist countries, stupid and decadent, will rejoice to co-operate in their own destruction. They will leap at another chance to be friends, and as soon as their guard is down, we shall smash them with our clenched fists.”

That is what Mr. Henri Spaak recognized today too, and that is why I say I get nauseated at all of this biased talk about leading the way in nuclear disarmament . . .

Hon. Mr. Nollet: — You talk like a pied piper . . .

Mr. Cameron: — Like who?

Hon. Mr. Nollet: — A pied piper.

Mr. Cameron: — Well, I'm glad I have good company, because 95% of what I've said has been Henri Paul Spaak's, not my thinking at all.

But, I'm very interested to think that you, Mr. Minister, think that Henri Paul Spaak has done nothing but be another pied piper.

Mr. Speaker: — Order! Order! I would appreciate it if the hon. Members would address the Chair, and not each other across the floor.

Mr. Cameron: — I think these resolutions are worthy of more consideration than remarks of that nature from the Minister, Mr. Speaker.

In closing, I just want to say this: I don't think there is a person in this Chamber, there isn't a mother or a father, or a son or a daughter in the province of Saskatchewan, or the Dominion of Canada that doesn't want peace, that wouldn't do everything possible to bring around peace, but surely, just because the burning desire is there, we shouldn't fall into these traps of these great peace movements without being sure that peace will be guaranteed by proper disarmament steps being taken, and in the meantime be sure, that in the event of attack, be prepared to defend ourselves.

Now, the Minister made much of the statement that you should fight fire by fire, and tried to twist and misinterpret it. The town I live in together with the city of Regina, and everyone else spend considerable amounts of money on fire brigades and fire equipment, and yet it is generally understood that pretty well every fire could be prevented, and so if every fire could be prevented and we appeal to our people not to start a fire and to use caution to prevent it, then logically we should disband our fire brigade, because we have asked the people to be careful and not to light a fire and let fire get out of control. The reasoning to me seems just about as simple and just about as foolish. Simply because we have a good fire brigade, ready to go into action at a minute's notice in defense of anyone in the town, is no indication that the fire department is anxious for a fire just so they can go to it and test out the equipment. This is the type of reasoning here from the lady Member who spoke. She would lead us to believe that if we are armed to the hilt, some trigger-happy general is going to pull the hammer just to see what may happen, and for that reason we should condemn armaments, and we should condemn the United States for having dropped the first atomic bomb. We should have a repentant heart; we should be prepared now, to say to Russia, and to the other nations of the world, we regret what we have done. We've seen the error of our way. We're prepared to put our loving arm of friendship around you and walk arm and arm in this great vision of peace and happiness and contentment. When we do that, let us be sure that he doesn't snap our arm off like the bear in the park.

I could go along with a good number of the resolutions here, but I can't go along with the section that says, that our boys in the armed forces shouldn't

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be permitted nuclear weapons anywhere in the world. I think the time is coming when we must recognize that if we are going to work toward disarmament and for peace in the world, that somewhere along the line, China must be brought in to the discussions, if we are to succeed in bringing in the major power. Whether we should go so far as recognition of Red China's admission to the United Nations, those are problems I think, for the well versed statesmen to decide, nor for me. While we have a burning desire for peace, we're not going to be foolish enough not to recognize that we live in an imperfect world, and first we must protect for ourselves that inalienable right of self-defense, and then leave no stone unturned in negotiating with the major nations of the world for some successful formula for disarmament.

Premier Douglas: — Mr. Speaker, I make no apology to the House for continuing this debate or in prolonging the discussion because I think the subject matter which is now before us is probably the most important question which faces the human race today. I want to compliment all the Members who have taken part in the debate. I think it has been held on a very high level. I think Members have advanced their views with sincerity and with clarity, and I think this discussion has been worthwhile. The mover and seconder are to be congratulated on having placed it before us.

I hadn't intended speaking on the resolution, but I was impelled to do so by some of the things which were said by some of those who took part in the debate. I was particularly interested in some of the comments made by the Member for Souris-Estevan, and I hope I am not misinterpreting his statements. He began his speech by saying that the speech of the lady Member for Regina, and the speech of the lady Member for Saskatoon would certainly give comfort and solace to the Soviet Union, and that if they had been trying to make a speech that would weaken people's power to resist, this is just the kind of speech that they would want to have made.

Mr. Speaker, I don't think we serve any useful purpose by trying to attribute motives. I think it would be quite wrong to say too, that those who oppose this resolution are war-mongers. I think it is equally as wrong to say that those who are proposing this resolution

are crypto-communists. I think we ought to discuss the thing on its merits without imputing any motives, because if one wants to get into imputing motives on the whole question of international relations there is a long record one can go back to. I, and the group with which I have been associated, had a record through the 1930s of trying in our own small way to focus public attention in Canada, on supporting the League of Nations in both economic and military sanctions. We tried to prevent oil going to Italy in 1935 and 1936 when the Ethiopian Campaign started. We all recall that our Canadian Government withdrew its Canadian representative at Geneva, Dr. Riddell, because he dared to support the idea of economic sanctions against Mussolini.

Some of us tried hard to get economic sanctions against military supplies and war materials to Japan all through the 1930s. I am one of the few public men in Canada, who was vilified a good deal in 1943, and 1944, when I opposed the pacts at Teheran and Yalta. Those were the days when we had in Canada the Anglo-Soviet Friendship League. When some of us opposed the Yalta and Teheran pacts we were called, by those on the right, doctrinaire socialists, and by those on the left social-fascists, because we took the position that the great powers had no right to sit down at Yalta or Teheran and divide the world up like a pie. This violated the whole principle of the right of self-determination of small nations. Nobody had the right to say where Poland's borders would be, or where anyone else's borders should be. This should have been left to an international organization which would sponsor plebiscites in the respective countries and let the people themselves decide what type of Government they wanted, and under what jurisdiction they would come.

If we are going to start imputing motives, there is a very long history to recall. I was particularly surprised that anyone who would even suggest, and I am not saying the hon. Member suggested it, but I certainly got that implication in his remarks, that those who are making proposals along the line contained in this resolution were doing so because they had pro-communist ideas. I would remind you, Mr. Speaker, of the speech made by the national leader of the Liberal Party, at a Liberal rally just a few short weeks ago. This speech repudiated many of the things that he has stood for in the past. I think it was a courageous speech. He suggested that Canada should get out of NORAD except for the warning system. This has been derisively called by the Government Members in Ottawa, 'a bird-watching program.' If one listened to the Prime Minister the other night, one could

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certainly gather that the Prime Minister wouldn't mind fighting the next election in Canada on his foreign policy or a stronger NORAD and nuclear weapons in Canada, as opposed to the foreign policy and the defence policy outlined by Mr. Pearson.

If one is going to criticize some of the views expressed in this resolution as being pro-communist, one would have to look again at the views which Mr. Pearson has expressed. I noticed that the Prime Minister the other day in winding up the Tory conference in Toronto said that now there was just one big issue in an election. His party was the free-enterprise party. The Liberal Party had moved so far to the left that they were with the socialists. I would like to welcome the comrades into the fold.

Let's not approach it on this line. Let's approach it on the assumption that we are all sincerely desirous of peace, and we differ as to the best means of bringing it about, and we are trying to debate and to argue out what is the best course for Canada as a nation to follow.

The Member for Souris-Estevan began his speech by talking about the fact that this resolution was an insult to our national pride. He stated that we must maintain our national status and maintain our national pride. Before he'd gone very far he was saying that we mustn't do anything to offend our big neighbour to the south. You can't maintain your national pride, and at the same time do everything that the big neighbour tells you to do. As a matter of fact, Members opposite ought to remember that the present Prime Minister of Canada got a lot of votes back in 1957 by telling the people of Canada that the Canadian Government of that day had sold out completely to the Americans. Since coming into office today he has virtually handed over the power of deciding whether or not Canada will be at war to a military commander in the United States. This doesn't look much like national pride. When we talk about offending the big neighbour to the south, I have no anti-American feeling; I went to university in the United States; I like the American people. The fact that you like people doesn't mean that you want them make all of your decisions for you. Nor do you want to be a tail on somebody's dog. The fact is, of course, that our American friends haven't always been equally careful about offending us.

The Member for Athabasca has a resolution on the Order Paper about conditions in Uranium City. The reason that conditions in Uranium City are as they are, is that United States at one time asked the Canadian Government, and Canadian industry, to get busy and produce uranium. They agreed to buy it, and took out an option to purchase more uranium after 1962. When they found uranium of their own, they simply said they were not going to exercise the option. The same thing happened during the Korean War. They said that they would take all the copper and zinc we could produce, and great sums of money were invested in order to produce uranium and copper. When the time came that their own vested interests began to apply pressure in Congress, the American Congress imposed quotas on copper and quotas on oil. There have been tariffs against Canadian goods when it suited them.

Mr. Speaker: — Order! I believe a question of order is being raised, but I do think that the hon. Premier is quoting another debate by way of illustration in this one, and I think possibly that can be done.

Premier Douglas: — I am not disputing the resolution. I am dealing now with the question of offending people. I am simply saying that our American friends have acted in their own best interests as they saw it when the occasion suited them. I am not denying their right to do it. I am simply saying that we too, with a sense of national pride, must act as we think best in any given situation in the interest of the Canadian people.

The member for Souris-Estevan and some of the other speakers pointed out that if you follow the purpose of this resolution, we'll have no defence. Mr. Speaker, let's face the fact that some of the best military minds in Canada are telling us today that we have no defence now. The defence mechanism that we have built up was designed to meet long-range bomber attack. Today, the likelihood of long-range bomber attack is almost completely removed. We now face the danger of the inter-continental ballistic missile which changes the whole picture, and against which we have no defence, as some of the best military experts, (I'll quote some of them later,) have demonstrated.

I was in Ottawa attending the Federal-Provincial Conference on Fiscal Arrangements when the Member for

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Moosomin spoke, so I didn't hear his speech, but I read it very carefully. I always have a high regard for what he says on this subject. He has a very distinguished war record, and I agreed with a great many of the things which he said in this speech. But he talked about total war, and said that if we are forced into a war it has to be total war. I just ask Members to stop and think what we're talking about when we talk of total war. War, as veterans of the last war experienced it, and war as it would be today is completely different. Since 1945 there have been two technological revolutions. The first has been the atomic bomb and the hydrogen bomb. These have been given explosive power far beyond anything that was ever dreamed of. Today one hydrogen bomb, we are told, has the explosive power of 20 million tons of T.N.T. This is greater than all the bombs dropped on Germany and Japan in the last war. Norman Cousins, editor of the "Saturday Literary Review," is one of the authorities on the subject. He has spent the last fifteen years making a special study of this question. He says there now is in the United States and the Soviet Union alone, the equivalent of 60 billion, 60 thousand million tons of T.N.T. in nuclear bombs which they have stock-piled. This represents twenty tons of T.N.T. for every person on the face of the earth.

Not only has there been a technological revolution in explosive power, but there has been also a revolution in capacity to deliver. This is even more serious. Before we talked about bombing planes; now we are faced with missiles, missiles which can be sent half way around the world. The latest Russian move was to have one of their satellites drop out a small rocket which landed near a ship and was picked up. It looks as though the day is not too far distant when satellites orbiting the earth will be able to deliver atomic bombs. Today, when we talk about total war, we're not talking about war in the ordinary sense; we are talking about human annihilation!

In addition to this, one can also keep in mind that tremendous research has been going on in what is commonly called C.B. and R., which is Chemical, Bacteriological and Radiological Warfare. If one reads some of the reports before the American Congressional Committee, one will be stunned at the devastating destruction which can be produced from chemical and bacteriological and radiological isotopes. The power to destroy mankind is now easily within our grasp. It is true that back in 1926 many of the nations signed the Geneva-Protocol which forbade the use of gas, chemical, and bacteriological weapons. But it should be remembered that the United States did not ratify this. Canada signed it, but the United States

didn't ratify it. The Soviet Union signed it with proviso — that this would not limit her in using this kind of weapon against other nations who had not signed the Protocol, or against the allies of such a nation. So this leaves open, not only atomic and hydrogen bombs, but the horrible possibility of chemical, bacteriological and radiological warfare.

What I am saying, Mr. Speaker, is that I think we have to face one bold fact, and that is that total war means the virtual annihilation of the human race. Military men, at least a great bulk of them are now convinced that there is no effective defence because the powers of destruction exceed anything which has ever been contemplated by mankind. For not only do we face destruction from deliberate bombing, or the dropping of missiles on a target, but we know now that fallout will effect a tremendous area. It is estimated now that an atomic bomb can create destruction for a radius of eighty-five miles, but this is a small part compared to the fallout which could cover many hundreds of miles. As a matter of fact, in the brief which was submitted to the nations of the world by over nine hundred scientists, sixty-four of whom were Nobel prize winners, they pointed out that even the small tests we've had are probably going to be responsible for thirty to sixty thousand deaths because of the production of Strontium 90, Cesium 137, and Iodine 131, all of which is taken into the human system through milk and vegetables and meat. Already, we're endangering genetically the whole process of life. In an actual war, the fallout would undoubtedly have disastrous effects, even for the people who were not in the actual area where the war was taking place.

Now, it seems to me, Mr. Speaker, that one has to start from the promise that war now means annihilation. We have to accept the principle which was enunciated here a few days ago by a great soldier of the last war, Gerald Foulkes. I had the privilege of visiting with him and I spent some time at his headquarters in 1945 when he was stationed in Germany. While he was here he addressed the Institute of International Affairs. One of the things he said was that, "Force is now obsolete as an instrument of national policy. We have now made such technological advances that man must find some other way to settle his disputes." I agree with the member for Maple Creek that it's not easy, and that you don't settle this just by pious phrases. But neither am I prepared to accept the fatalistic attitude that the Russians have got a lot of weapons, and therefore, we've got to have a lot of weapons, and then they'll get more weapons, and we've got to get more weapons. The whole history of the human race is that armament build-ups eventually have

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led to war. In this case, if it leads to war, it can lead to the destruction of mankind.

It is not enough, it seems to me, to say that we live in an imperfect world. If we're not careful, we will not live in any world at all. We have got to do something to improve it. We're not going to do something to improve it merely by sitting still, and saying, that it is the Russians who are all at fault. I haven't had the privilege of reading Henri Spaak's book, although I've had the privilege of listening to him a number of times, and met him at one or two conferences. I don't know whether he outlined the historical resume as my hon. friend gave it, but it is not quite right to portray the picture of the Soviet Union grabbing more land, while the rest of us sat still until finally in 1949 the nations of Europe pleaded with the United States to take some action. I don't condone for a moment the aggression of the Soviet Union in eastern Europe, and the many nations that today she holds in subjugation. I think this is to be condemned. But let us not forget the fact that from 1945 on the United States had the atomic bomb, and later had the hydrogen bomb. This gave her tremendous military superiority. Let's not forget that between 1945 and 1949 according to their own white papers, the Americans had something over two hundred air bases, almost completely surrounding the Soviet Union, from any one of which it was possible at that time, to have long-range bombers take off with either an atomic bomb, or a hydrogen bomb. No nation is going to feel very comfortable under those circumstances. I am not saying that the United States is all to blame, but what I am saying is that there has been on both sides growing suspicions and growing armaments. We have come to the place now where there is a virtual deadlock, where both of these great powers have got the capacity not only to destroy each other but to destroy the rest of us. In a situation like this we must try to find some answer.

How is it possible to settle disputes without resort to force? I agree with the Member for Maple Creek that it is not enough to just say when everybody gets to be good and kindly and brotherly, we'll all live together and the lion and the lamb will lie down together. Sometimes the lamb ends up inside the lion, and that is not the best way to lie down together. I have never myself personally accepted the pacifist position. I have great admiration for pacifists. Some of my best friends

have been pacifists, and I have nothing but admiration for their courage, where they are genuine pacifists, but I have never been able to accept the basic doctrine of pacifism. My reading of history has taught me, and my own experience in life has taught me that there always have been bullies. There always have been vandals, and there have always been people who want to use their superior power to take advantage of other people. There are always those who want to destroy things just for the sheer love of destroying.

When I was a boy, I was smaller than other boys, and I never quite got over that even when I grew up. It didn't take me long to learn that the best way to keep from being bullied, wasn't to go around telling people you wouldn't fight and you couldn't fight. As a matter of fact there are some bullies who leave you alone the minute they find that you are willing to fight, and that you are able to fight.

You can't have peace in the world it seems to me, by just sitting and saying, we won't resist. The moment you do that you put all of humanity at the mercy of that people or nation which is least amenable to the moral laws. It seems to me that the way you keep peace in the world is the same way you keep peace in a community. On these western plains, particularly in the United States in the last century, when the country was being settled, every man was his own judge, jury, and executioner, and he carried a gun. In spite of all the movies that show us the good guys always beating the bad guys, this wasn't true. There were bullies who terrorized communities. It wasn't until law and order were established, and until the authority was delegated to certain men to enforce the law, and to punish those who broke the law, that we finally got a settled community and a settled country. I'm convinced that there can be no peace in the world until we establish a world authority with full disciplinary powers to deal with nations which insist on resorting to force as an instrument of national policy. This means that we must have a world authority which will be a combination of a world parliament, a world police force, and a world court, that will have the necessary military and economic power to effect either military or economic sanctions, (a) against any nation which insists on resorting to force, and (b) as a means of enforcing gradual disarmament and the necessary inspection and control that goes with disarmament.

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In my opinion, Mr. Speaker, the real danger to the world is not so much the atomic bomb, but rather the outmoded idea that you can retain national sovereignty in an age when there is no security whatsoever, apart from a world authority armed with the full power to establish and maintain the rule of law among the nations of the world. It is not enough for nations to say we're willing to refer this or that to the United Nations. We need to clothe the United Nations with the power to act promptly and effectively whether the nations affected want them to or not. Until we establish such a world authority, this build-up of armaments is going to continue, and the danger of war is going to come closer and closer.

What can Canada do in a situation like this? It is true that Canada can't reconstruct the United Nations, but it is true that Canada as a middle power, with no geographical appetites, and no desire for aggrandizement, could give leadership to the middle powers, and particularly to the nations of Africa and Asia. I submit that we can't do this if we are merely looked upon as a military satellite of the United States.

For instance, Poland made a very good suggestion which Mr. Eisenhower in one of his press conferences approved of and then later had to take back because Mr. Dulles didn't like it, Poland made the suggestion that we do through the centre of Europe, what we've already done in Austria — have the troops withdrawn from both sides. The main reason why it was turned down was because Poland was looked upon as what she probably is, a military satellite of the Soviet Union. I think that far from trying to offend our neighbours to the south, we could serve our neighbours to the south, and we could serve our own best interests, and above all we could serve the interests of humanity, if we had the courage and the vision to take an independent stand in the international field.

One of the things we could do for instance is withdraw from NORAD. To some people this is a heretical suggestion. But, I want to point out in the first place, that we got into NORAD without any great consultation with the people of Canada. The Government of Mr. St. Laurent had carried on the negotiations but hadn't signed the agreement. When General Pearkes came in as the new Minister of Defence he signed the agreement. I am very glad to see that Mr. Pearson now thinks that we ought to get out of all except operating the warning system. It

was designed to meet a situation which no longer exists. It was designed to meet the threat of the long-range strategic bomber.

Most Members know of the military prowess of General W.H.S. Macklin and probably read the articles which he wrote in the Regina "Leader-Post" of December 17th, and December 19th, and I'm not going to weary the Members by reading a lot of it, but just let me give you a few excerpts from his article on "Why we should leave NORAD." General Macklin says:

"In 1949 Russia exploded a nuclear bomb, and the grim truth is that in that blast of that device, the long, comfortable military immunity of the North American continent was swept away.

It was gone and gone forever, but the colossal error that our Defence Department has made is to assume that somehow, anyhow, we can get that immunity back, if we just spend enough money on such things as jet interceptors, radar chains, anti-aircraft missiles like the Bomarc and the fire control system such as Sage.

It is in accordance with this illusion that we have lavished billions upon billions on what have been wrongfully and deceitfully called our air defences."

Then he goes on to deal with it in detail. Let me just read the last part of what he says:

"All this leads to the obvious conclusion that Canada should get out of NORAD.

Withdrawal from NORAD does not in any way imply neutralism. It has nothing to do with our abandonment of NATO, which I never would advocate.

We should toss NORAD out simply and solely because it is an impotent military instrument, and also unnecessary even assuming it had any military effectiveness.

This action would strengthen the alliance with the United States because NORAD is merely a futile drain on our resources. It would save us vast sums of money to devote to other and more fruitful projects in the national welfare."

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I submit that we would be more effective in the United Nations in trying to get the United Nations clothed with military and economic power, if we could come before the United Nations, not as a military satellite, but as a nation which has no axe to grind, but which is seeking to avert the great catastrophe that faces mankind.

I think of another thing Canada could do. Canada could ask for a complete reappraisal of NATO. It will be remembered, and it is to Canada's credit, that Article 2 of the NATO agreement was put there at Canada's insistence. It was the part of the agreement which said that a military alliance is not enough, and that we must also adopt those economic and technological measures that will help to raise the living standards of people, and will help to give democracy some meaning in under-developed nations. We have to face the fact, of course, that Article 2 has never been touched. It is a dead letter insofar as NATO is concerned. NATO has been used purely as a military alliance between the United States and ourselves, Great Britain and countries of western Europe. The fact that France has refused to allow atomic weapons to be put on her soil has weakened her somewhat.

But, what is the picture? It may be that NATO served a very useful purpose in the days when the Soviet Union was overrunning western Europe. But, what we have now are simply two great military alliances facing each other across Europe, and facing each other with the power to destroy, not only Europe, but the North American continent as well.

I think Canada could first of all insist that NATO become part of the world authority by vesting it in the United Nations. I think that Canada should be prepared to say to the United Nations, that we will supply whatever type of forces and whatever type of weapons are wanted to help enforce peace. We should be prepared to put planes or troops or naval ships and personnel at the disposal of a world authority, and all the military powers contained in NATO should be vested in the world authority. It seems to me that this would put the Soviet Union in a very serious position. She would be completely isolated if she were not prepared to place the Warsaw Pact on the same footing. This would show to the nations of Africa and Asia where we stood, and where the other NATO powers stood, and would make the Soviet Union either say no, we're going to cling to an outmoded military alliance or say, yes, we're prepared to put the powers of the Warsaw Pact also under this world authority.

This would give the world authority the money, the personnel, the weapons, the power, and above all the authority to maintain peace in the world and to take whatever economic or military action may be necessary against a nation which resorts to force.

I think the second thing Canada can do is say that Article 2 of NATO should now become an important instrument in foreign policy. The nations have now set up the organization know as O.E.C.D. the Office for Economic Co-operation and Development, and this may eventually do the kind of thing which Article 2 of NATO was designed for. Let us make no mistake about this. With the United States and the Soviet Union each having stock-piled today sufficient nuclear missiles to destroy their enemies and the rest of the world, we'll probably come to the place where the trend of the cold war is going to change.

I don't think we in the west have paid enough attention to the great debate that has been going on between the Soviet Union and China, or the very serious rift that has taken place there. It has taken place between two great powers, one of whom, represented by Mr. Krushchev is saying that the powers of destruction are so terrible that war is no longer a means of settling our disputes. He says this not necessarily because he wants to, but because he knows that he can't win a war. Nobody can win a war. All we can do is destroy someone else and be destroyed. His argument with China is that we must now fight an ideological and an economic war. The Chinese are not convinced of this. China has come only recently into the international picture, and there are those in China apparently who still think that they can follow the Marxian and Leninist doctrines of world conquest. This is why I for one, would be glad to see them in the United Nations and accepting the rule of law. I'm not sure that they'll be willing to come. I think it will be one thing to invite them and another to persuade them to come in, but certainly we don't serve any useful purpose by voting each year not to let them in even if they want to come.

I think they have to be brought in. I think the significant thing about this debate is that Mr. Krushchev and the Russians are now talking about co-existence. That doesn't mean they've given up their idea of spreading communism over the world. They've given up their idea of world conquest by military means because they know that this would destroy them. I think in the long run the chances are that the Soviet Government is in a much shakier and a more precarious position that we think it is. If their cities were bombed, their capacity to

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hold their people in subjection would be destroyed, and their Government might not last too long. I don't think they want to get into that kind of situation. I'm convinced, unless China goes off on a tangent, that the real test of the next twenty-five years is going to be an economic and ideological contest. It is going to be a struggle for markets. It is going to be a struggle of production. It is going to be a struggle to see who can win over the uncommitted and under-developed nations. It is going to be a struggle to see whether or not people are prepared to accept the Soviet position, which is that if you take a dictatorship and oppress people and lower their standard of living, you can produce more and you can use that increased production for capital investment, and for social capital, and move forward by great hydro-electric projects, and do the kind of things which the Soviet Union has done. Over against this is the democratic position, which is that it is possible to have bread and freedom both. It is possible to build up increased wealth of production. It is possible to develop social security within a nation without destroying political freedom.

These two ideas will have to battle it out in the under-developed and uncommitted nations. I agree with the Minister of Agriculture that in this kind of battle I am not afraid. I'm convinced that if the western world could mobilize its resources, (and no man has fought for this more than Henri Spaak,) it would help the under-developed people of the world much in the way we have helped India. We haven't helped her enough. But we can demonstrate to the rest of the world that without surrendering one iota of freedom, political freedom, we can also build economic freedom. It is possible for people not only to have freedom from oppression and freedom from tyranny, but it is also possible to have freedom from fear, and freedom from want. People shouldn't have to be asked to choose between bread and freedom. Only in a democratic society can you have both. I think in this kind of contest the western world can win. I don't think anybody can win in a war of atomic power.

This is the great role that Canada could play. She could play a role first by saying that we're out of NORAD; that we want the NATO alliance to become part of a world authority; and that we're prepared to make whatever sacrifices are necessary and supply whatever personnel and equipment are necessary to a world police force; and that we're prepared to place at the disposal of such a world authority our economic resources, our food stuffs, and our technical personnel to help to raise the standard of living in various parts of the world and win these people for the things in which we believe.

Mr. Speaker, in the kind of world in which we live today, this is no time to talk about national pride. This is a time to talk about human survival. This and nothing less is what is at stake in the world today. The responsibility for meeting this situation doesn't lie with statesmen alone, and that is why I was surprised when the Member for Maple Creek said something about the trap of peace movements. I know that there are always those who are prepared to use peace movements or anything else that has a good name for their own devious ends. But let us not condemn peace movements. As I said earlier over nine hundred of the greatest scientists of the world have pleaded with the nations of the world and the Governments of the world to do something to prevent total war. Millions of people are concerned about this matter, and ought to be concerned about it.

Mr. Speaker, if a total war takes place it will take place for only one reason, and that is because there haven't been enough men and women in the world who were prepared to concern themselves and to act to prevent a world war taking place.

Government Members: — Hear! Hear!

Premier Douglas: — Let us not condemn the people who are agitating to do something about this. They may be ill-advised. They may, as the Member for Maple Creek says, indulge in pious phrases, and it may bother him a great deal that they should do so. Mr. Speaker, people are naturally concerned, and it seems to me that it is the duty of this Legislature and of Governments and of men and women in public life to give some leadership as to how we're going to meet this very critical situation in the world's history. This desire for peace is not something which is new. It is as old as man himself. It goes back to the days when Isaiah and Micah dreamed of a time when men would beat their swords into plowshares and their spears into pruning hooks, and would learn the art of war no more, when every man would sit beneath his own vine tree and none would make him afraid. Men dreamed of this, four and five thousand years ago, Mr. Speaker. At that time it was only a dream; today it is a necessity. Today we either find a way of living together, or face the prospect of not living at all. Because I think that some of the suggestions in this resolution are a move in that direction, I will support the motion.

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The debate was adjourned by Mrs. Batten.

RESOLUTION ON UNEMPLOYMENT

The Assembly resumed the adjourned debate on the proposed motion of Mr. Whelan regarding unemployment

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, it is not my intention to prolong this debate. Most of the things that I've said during our little discussion, as to whether you would consider our amendment in order or not, were the remarks that I wanted to make on the debate. I am pleased to see that you did see fit to rule our amendment in order, despite the fact that we have lost that amendment since.

I want to say again, Mr. Speaker, that I'm even more convinced now that I was at that time, it will no longer be possible for our senior government to do what we are asking the Government of Canada to do by herself. If the proposals that have been made by the present Prime Minister and the Federal Government are carried out, that is giving certain taxing powers back to the province, that will make it impossible for the Government of Canada to control our economy to the extent that I think they should control it, if we are to have full employment and prosperity throughout our lifetime. I would like to have seen the amendment passed. I would like to have seen co-operation between the provinces and the Federal Government to bring about these desired results. But I want to repeat that I do not believe that if the suggestion that has been made by the Prime Minister is carried out then the Government of Canada is no longer in this position. I think they have given part of their taxing powers to the provinces that they ought not to have given to the provinces, if they had a desire in their own heart to control Canada's economy. The suggestion has been made that this should be done, and I have no doubt in my own heart that it will be done over a period of time. I think that all Members of this Legislature are in favour of the Government of Canada going as far as they can to carry out part (a) of the resolution.

I had an opportunity of attending a national gathering in Ottawa in January, and a discussion on this

particular subject took place at that convention. People in all parts of Canada feel that this is the proper approach in order to bring about full employment and to see that equal facilities are made available to the people across Canada. But I cannot agree entirely with the resolution as it stands and I will have to vote against it, but I will do so Mr. Speaker, with the understanding that it is my belief that the Government of Canada will no longer have the power to do what this resolution asks them to do.

I want to repeat that I'm convinced in my own mind that had we passed the amendment, then we could have joined with Ottawa and the other provinces of Canada to bring about the proper conditions that this resolution is seeking for all of Canada.

Mr. Ed Whelan (Regina City): — Mr. Speaker, this debate has indicated that a very serious problem exists. The problem is a threat to our social and economic structure. The problem will also destroy our neighbors' self-respect. We are faced with a hardship in our communities, and the hardship becomes more acute each day that the problem is not accepted as a national economic and social problem. The situation deserves and expects urgent attention. Even my hon. friends opposite I'm sure will agree that action is necessary and is necessary immediately.

In the House of Commons recently, we witnessed or heard of the Members, particularly on the Government side, discussing a \$25.00 fee paid to a Mr. Exelby for his very realistic presentation on the television program "Close-Up", regarding unemployment. I suggest to the Members of the Legislature, that this discussion did not solve Mr. Exelby's problems.

Mr. Speaker: — Order! Order! I would like to point out to the hon. Member that his privilege of reply is regarded as a reply. He is not entitled to bring in new material.

Mr. Whelan: — Thank you, Mr. Speaker. Perhaps the discussion that we are having in this Legislature will in some way call attention

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to the House of Commons the seriousness of the situation that exists across Canada.

I do not think that further debate is necessary, Mr. Speaker, I think it would be repetitious. As a Legislature let us unanimously endorse the resolution and advise the Ottawa Government forthwith.

I shall support the motion.

The question being put, it was agreed to.

MOTION RE CROW'S NEST PASS

Hon Mr. Brockelbank (Minister of Mineral Resources): — Mr. Speaker, the resolution that I am moving this afternoon, seconded by the Hon. Mr. Nicholson is:

“That this Assembly strongly endorses the Submissions of the Government of Saskatchewan to the Royal Commission on Transportation and urges the Royal Commission to give most favourable consideration to the circumstances set forth in those Submissions and to the proposals made therein; and, further, this Assembly is of the opinion that the Crow's Nest Pass rates on grain and flour moving into export positions should be retained under the protection of Parliament and maintained in their present form and at their present level without any change.”

Now, Mr. Speaker, the submission which I tabled in the House the other day, has been prepared by the Economic and Technical Committee on Transportation and Freight Rates, for the province of Saskatchewan. I would like first of all to tell the hon. Members a little about that committee and its work. The Chairman of the committee is Dr. George E. Britnell of the University of Saskatchewan, who is very well known in Saskatchewan and in Canada and beyond its borders. Dr. Vernon C. Fowke, also of the University of Saskatchewan, is Vice-Chairman and has in his own right a reputation as a well-known author. Dr. B.N. Arnason, the Deputy Minister of the Department of Co-operatives, who has been in the Government service for many years, and also, George Oliver, a civil servant of long standing are members.

Besides being a member of the committee the latter is Secretary of the committee. My seat-mate, the Hon. L.F. McIntosh, is a member of the committee, and due to his illness I was substituting for him on that committee.

The staff of the committee also had a rather important part to play, and I would like to mention Mr. J.S. Carmichael, who was the assistant secretary, and did a great deal of work with regard to the preparation of material, and the editing and so forth. Mr. E.J. Jones, is a specialist in the details of freight rates, and has been with the Government for some considerable time. And I think also, Mr. Speaker, some mention should be made of the solicitor for the committee, Mr. Roger Carter Q.C. of Saskatoon, who was with the members of the committee to make the presentation to the Royal Commission. Dr. Britnell deserves special mention because of his part as the chief witness for the province of Saskatchewan before the Royal Commission. I had the privilege of attending a part of the Saskatchewan presentation before the Commission in Ottawa when Dr. Britnell was on the witness stand, and he certainly did Saskatchewan proud in the manner in which he presented the case to the Royal Commission. Of course, Dr. Britnell is also an author in his own right, and had a good deal to do with the putting together and writing of the parts of the submission. Dr. Fowke deserves special mention because of his work on what we call the Crow Brief: this one with the long title, "An Historical Analysis of the Crow's Nest Pass Agreement and Grain Rates: a study in National Transportation Policies." That involved a lot of research into history and a good deal of planning and putting it together. George Oliver, a member of the committee and secretary of the committee, had a good deal to do with the writing of large parts of the main submission. I've already mentioned the staff and the Solicitor.

The submission is divided into three main parts. Part one deals with the history of railways, the history of settlement, and the history of agricultural development on the prairies. It deals with Saskatchewan's economy, both agricultural and non-agricultural. This is the volume that builds up a background so that the importance of rail transportation, through history and at the present time, can be properly emphasized.

Part two of the submission deals with the railways themselves and national policies. Part two points out the amount of public assistance given to the railways in the past. It emphasizes the national policies which

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were put into effect since Confederation, the effect that these national policies had on the direction of trade, and deals also with the national policy in regard to protective tariffs. This part is very important, because it must be recognized that the trans-continental railways themselves are instruments of national policy, they are not something that was just built as an ordinary enterprise to serve a particular area, but were certainly very definitely created to provide for the carrying out of the national policy.

Part three of the main submission deals with the cost of the service and the value of the service given. It deals with competitive factors, other modes of transportation, the question of equalization of freight rates, the effect of horizontal increases, many of which we have had since the last war, and it also deals with the question of a redistribution of the burden of transportation costs, to see if there is not a more equitable method of paying for those costs. I can certainly recommend all parts of this submission, as not only very informative reading, but also very interesting reading because all of the volumes are full of a lot of very interesting history.

The Crow's Nest Pass Agreement, which is dealt with in this special submission, is also an extremely interesting book. You will remember, Mr. Speaker, that when the Royal Commission was set up, it was thought at that time that the Crow's Nest Pass rates at least might not be considered by the Commission, but the Commission did take those rates into consideration. The result was that there was a great deal of time, a large part of the time of the Commission spent listening to attacks being made on these Crow's Nest Pass rates, and it was quite clear that there was a move to try to make these rates the scape-goat for all of the problems which the railways have to face today. So the province of Saskatchewan found it desirable to present a rather full and special submission on this question of the Crow's Nest Pass Agreement rates. I said it is an interesting book; it gives the thrilling story of the conquest of the west. It was an open question in the western part of the continent in those early days as to whether this would be a part of the United States or a part of Canada. Even back in 1867, the same year as Confederation, there was a move in the Senate of the United States, and I want to quote from the Crow Brief:

“In 1867, Senator Ramsay of Minnesota moved that the senate committee on foreign relations, consider the advisability of a treaty between the

United States and Canada, which would provide for the American annexation of all territories in North America, west of longitude 90 degrees.”

Just to the west of Fort William. Senator Ramsay saw an urgent necessity for action by Congress in the impending proposal for the annexation of the Western British Territories to Canada. He commented in part, and remember, Mr. Speaker, this now is Senator Ramsay’s comment:

“We are informed that a member of the Government of Canada is about to present to Parliament a Bill for the extension of the Dominion of Canada to the Pacific Ocean. The authorities of British Columbia, having applied for admission to the Canadian Federation, the passage of such an Act by the Parliament at Ottawa with the assent of the Queen in Council, will consummate the annexation of northwest British America to Canada. The people of the Selkirk settlement northwest of Minnesota, and the people of British Columbia on the Pacific Coast, would prefer admission to the American Union. And I believe it has become the duty of the American Congress to indicate openly and distinctly the terms and conditions which we are willing to offer as an alternative to the Canadian overture.”

In 1868, Mr. Speaker, in the United States Senate, there was a committee on Pacific Railroads, and this committee made a report. The Senate Committee regarded American railway construction near to the international boundary as pointing inevitably to annexation. Their report contained the following comments and I quote from their report:

“The line of the North Pacific runs for 1,500 miles near the British possessions, and when built will drain the agricultural products of the rich Saskatchewan and Red River districts east of the mountains, and the gold country of the Fraser, Thomson and Kootenay Rivers west of the mountains. The opening by us first of the North Pacific Railroad, seals the destiny of the British possessions west of the 91st meridian. They will be so strongly Americanized in interests and feelings that they will in effect be severed from the new Dominion and the question of their annexation will be but a question of time.

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This feeling was not confined solely to the United States. In the Legislative Council of British Columbia this same feeling is to be found. There was a Dr. Helmcken and in Confederation debates in the British Columbia Legislative Council, in March 1870, Dr. Helmcken summarized the views of the group, the members of which stood in opposition to the Confederation policy of the administration in the following words:

“No union between this colony and Canada can permanently exist unless it be to the material and pecuniary advantage of this colony to remain in the union. The sum of the interests of the inhabitants, is the interests of the colony. The people of this colony have, generally speaking, no love for Canada. They care as a rule, little or nothing about the creation of another empire, kingdom, or republic. They have but little sentimentality and care little about distinction between the form of government of Canada and the United States.”

So, there is no question that there was a situation which demanded something to be done, or else, the great western part of the continent would have been lost for Canada.

Mr. Speaker: — I must remind the hon. Member that it is now 5:30, and I shall leave the Chair until 7:30 p.m.

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

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

Hon Mr. Brockelbank: — Mr. Speaker, there was a very serious question of annexation of what is now the western part of Canada to the United States. This talk was not only in the United States, in the Senate of the United States and among the people, but also prevalent to some extent in British Columbia as well.

Now, I would like to quote from a letter from Sir John A. MacDonald, to C.J. Brydges, General Manager of the Grand Trunk Railway, and dated from Ottawa, January 28th, 1870. In this letter he mentions Smith, and the Smith he refers to is Governor Smith of Vermont, with whom Brydges had been in conversation. And Governor

Smith was then President of the Northern Pacific Railways. The extract from the letter reads:

“From Sir John A. MacDonald to Mr. Brydges.

Many thanks for your letter of the 26th, giving me an account of your conversations with Smith. It is quite evident to me not only from this conversation, but from advices from Washington, that the United States Government are resolved to do all they can, short of war, to get possession of the Western Territory, and we must take immediate and vigorous steps to counteract them. One of the first things to be done is to show, unmistakably, our resolve to build the Pacific Railway.”

I won't go into any details of those times with regard to the final decision to build the Canadian Pacific Railway, only to mention that the Government regarded this as a question of national policy. The basic subsidy of \$25 million was put up for the company, and twenty-five million acres of land, together with some very valuable privileges in regard to tax exemptions. Twenty-five million dollars today may not seem so very much, but we must remember that in those days they built railway lines for a cost of from \$15,000 to \$25,000 or \$30,000 a mile. That \$25 million meant a lot of miles of railway. The land that they got, of course, was on the prairies in the provinces of Manitoba, Saskatchewan, and Alberta.

Now, I would like to quote from the Final Summation Argument which has been tabled in the House, page 4.

“The four original provinces — that was Ontario, Quebec, New Brunswick and Nova Scotia — had been granted control over the natural resources within their respective boundaries by the British North America Act. And the Red River settlers made it clear in demanding provincial status, that they would be satisfied with nothing less. Their views and requests were rejected, however, and the province of Manitoba was created inferior in economic and political status to the original provinces. The Manitoba Act of 1870, provided that all ungranted or waste lands in the province shall be vested in the Crown and administered by the Government of Canada for the purposes of the Dominion. Justifying this section of the Act in debate, Sir John A. MacDonald told the

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House, that the residents of the Red River colony wished Rupert's land made into one province, and to have all the land within the boundary as in other provinces. But the land could not be handed over to them, as it was of the greatest importance to the Dominion to have possession of it, for the Pacific Railway must be built by means of the land through which it was to pass."

Another quotation I would like to give to the House in that same line, is to be found in Part 2 of the submission, on page 11. This is quoting the Hon. Sir Charles Tupper, in 1883.

"In 1883, the Hon. Sir Charles Tupper, then Minister of Railway, said frankly, 'The interests of this country demand that the Canadian Pacific Railway should be made a success. Are the interests of Manitoba and the northwest to be sacrificed to the interests of Canada? I say, if it is necessary yes'."

Mr. Speaker, I have dealt at some length with the question of the national policy in regards to transportation in the early days. I wanted to show, without doubt, that the trans-continental railway, the C.P.R. was built as an instrument of national policies. Besides the grants of land and cash that I mentioned before, the Government of Canada undertook to build the section of railway from Fort Williams to Selkirk, Manitoba, and from Kamloops to Port Moody, in B.C., and to convey those sections of the line to the company without cost. So, there is no question about it, that this railway was created, not as an ordinary private enterprise, but as an instrument of national policy in Canada.

Then, another thing happened that had an affect on the situation was the mineral discoveries in southern B.C. Away back in 1855, gold was discovered, and then the development of the Caribou Gold Rush in the Kootenay country and coal at the Crow's Nest Pass. Finally this boiled down to the Crow's Nest Pass line being built for the purposes of the railway and the national policy, because the American railways were close to the southern boundary of B.C., and they were beginning to take off more and more of the produce in minerals and other things, from southern British Columbia. So, there was an offer made to the C.P.R. with regards to building the Crow's Nest Pass line.

One short quotation from the submission — this is back to the Crow Brief — on page 34 of the mimeographed article:

“A few members suggested in the debate, that the Conservative offer of a \$5,000 subsidy, and loan of \$20,000 per mile, was more generous than the Liberal offer of \$11,000 subsidy per mile, since the loan would probably not be repaid in any case. The consensus of opinion was, however, that the Liberal offer was more generous to the railway, and more onerous to the Government, and therefore, required to be defended.”

Later we find some more about the defense of that policy on page 35, speaking of the conditions exacted from the Canadian Pacific Railway by the agreement under discussion, Mr. Blair, who was then Minister of Railways and Canals, said in part:

“The committee will have noted that we have sought to ensure the country a large measure of relief from the rates which have obtained since the Canadian Pacific Railway was started. We have imposed conditions upon the company which are very largely restrictive of their present powers.”

This, Mr. Speaker, was in defense of what was considered to be the more generous offer of \$11,000 a mile grant for the railway.

I go on and quote:

“We have embraced in one of the sub-clauses of these resolutions, a considerable list of articles which go into very large consumption among the people of the western provinces, and we have secured an agreement on the part of the Canadian Pacific Railway, that very substantial reductions will be made upon the existing rates.”

Now, that was pretty well the beginning of the Crow’s Nest Pass Agreement.

To quote another prominent man of that day, Sir Richard Cartwright.

“In contrasting the Conservative and the Liberal subsidy proposals he summed up the matter concisely.

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Now, the difference between the proposals is practically that we give, if you choose so to call it, some \$5,000 or \$6,000 per mile, to the Canadian Pacific Railway, for constructing this line, and we are paying them a further sum of \$5,000 or \$6,000 in return for valuable privileges to the whole North West and Eastern Canada as well. Now it is those privileges that were bought and paid for, that is it necessary for us to defend at this time.”

I would like to point out now to the House, something about those grain rates, and what has happened to them over the years. The hon. Members will find this on page 52, of the mimeographed copy. If you have a printed copy the number of the page won't be the same. It is a table and this shows that before August 1898, the rate was lowered and from October 1903 until 1918, the rate was 18¢. Then in 1918, things went to pieces again and this rate began to increase and it went up to 20¢ and to 24¢ and finally in 1920, the rate was 31½¢ a hundred pounds from Regina to the head of the Lakes. That has come down until at the present time the rate is 20¢. So that is comparable of what these rates have meant, and the importance of maintaining them for the people of the West.

In 1951, a Royal Commission on freight rates reported — that was known as the Turgeon Commission — and they had something to say about the Crow's Nest Pass rates, and I think it is worthy of particular note.

First, they — that is the Turgeon Commission — indicated succinctly the error of the view that the Crow's Nest Pass grain rate constitutes a special and unique concession to the producers of one region within the Dominion.

Second, they considered and rejected categorically the request that Crow's Nest Pass grain rates should be made subject to general freight rate increases.

Finally, they considered and rejected emphatically the suggestion that commissions should recommend the repeal of the statutory control of the Crow's Nest Pass rates.

I would like now to deal just for a few minutes with the recommendation in the submission made by the province of Saskatchewan, and this will be found in the Final

Summation and Argument beginning on page 36, because the resolution which we are debating at the present time asks the House to endorse the recommendation.

The first one is, "The Government of Saskatchewan recommends that the Crow's Nest Pass rates on grain and flour moving into export positions, be retained under the protection of Parliament and maintained in their present form and at their present level without any changes." That is practically the same as the wording in the motion, and really does not need much further argument to support it. But here is one question here, which I would like to give, on page 37:

"The Crow's Nest Pass rates on grain and grain products, moving from the prairies to export positions, have since their inception constituted a fundamental and integral part of national economic policy. Saskatchewan repudiates the allegation of the railways, that these rates impose a burden on the railways, or that they are the root of the railway problem. On the contrary, great benefits have flowed from these rates to the railways, to Canadian industry, to Canadian trade, and to national unity as well as to western Canadian agriculture."

The next recommendation is found at the bottom of page 37.

"The Government of Saskatchewan recommends that the existing division of assets and revenues of corporate railway enterprises, as prescribed by the Board of Transport Commissions in the uniform classification of accounts, be changed to provide that all assets employed in surface transportation, excluding ocean shipping, be classified as making up rail enterprises, and that all revenues arising from surface transportation services be brought to account in the determination of monetary requirements in revenue cases, arising out of applications for increases in railway rates."

In other words, now that the railways are going into the trucking business to a very great extent, their whole transportation business should be considered as one piece. I think that that is quite logical and quite proper.

In one paragraph from the submission:

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“The fundamental position of the Government of the province of Saskatchewan on this question is that the Canadian Pacific Railway Company was created with substantial public assistance for the sole purpose of building and operating a railway in perpetuity. Other assets and other enterprises have accrued to the company either in the form of gifts from the Crown or from the proceeds of railway operation. It is the contention of Saskatchewan that all assets of the company ought therefore to be regarded as rail assets to assist the company in the discharge of its responsibilities. It got its land grants as a part of the bargain for building a railway and giving those services. It accumulated resource properties in southern British Columbia, which have become very valuable and have paid very substantial dividends to the company over the years past.”

I don't think that these things should be ignored.

One more quotation, Mr. Speaker.

“The two major railways in Canada today, are much more than railway companies. They may more properly be described as transportation companies, for they are both active in several fields of transportation. Canadian Pacific operates the most complete transportation system by rail, by road, by water and by air, and particularly substantial development has taken place in the highway operations of this system. Both Canadian Pacific and Canadian National have given evidence before the Commission of the progress made with their plans to integrate their rail and road operations for the purpose of developing a flexible, co-ordinated merchandise service. Saskatchewan feels that such integration is likely to result in improved service to the public, and to expand the traffic potential of the railways to the extent that steam ship operators on inland waterways are also used in such integration, the same comments apply.”

The third recommendation:

“The Government of Saskatchewan recommends the establishment of a unified system of transportation control through a national transportation authority.”

In part three of the submission this is stated:

“The Government of the province of Saskatchewan urges this Commission recommend to the Government of Canada the creation by a separate act of Parliament, of a Canadian transportation authority to combine and include the present functions, duties and responsibilities of the Board of Transport Commission as for Canada, and that such transportation authority be empowered especially to extend its jurisdiction to the regulation and control of inter-provincial and international motor truck transportation. This agency would have as its objective the further co-ordination of transportation services in the interests of the public, with a view to ensuring the most effective use of all transportation facilities. A move in this direction, at this time, is a logical and necessary extension of the historic national policy of the regulation of transportation services in Canada.”

Mr. Speaker, it is just as true today, that transportation must be a vital part of a national policy in Canada, if the different parts of Canada are going to be contented within the Confederation, and feel that they are getting fair treatment.

The Royal Commission on transportation of 1951, that is the Turgeon Commission said:

“Insofar as Parliament can regulate and control transportation, the object should not be confined to the rather negative work of correcting abuses, but should reach out to the positive constructive task of developing adequate and efficient transportation services, and of co-ordinating and harmonizing the service in the public interest. The regulation of railways can best be exercised by combining it with the regulation of the other agencies of transportation.”

The fourth recommendation, Mr. Speaker, is:

“The Government of Saskatchewan recommends the institution of a national transportation subsidy.”

One sentence in the submission says:

“Deficit subjects are so fraught with danger that they are entirely unacceptable to this

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province. In other words, we should not and we do not recommend a subsidy that would mean the picking up of the tab for the loss. But the kind of a subsidy that is recommended can be termed as a rate reduction subsidy, to do two things at least; to help the railways to operate more effectively and second, to help to eliminate some of the inequalities of the transportation burden in Canada.”

The Saskatchewan submission in part three states this:

“A national transportation subsidy should be consistent with established national policy and ameliorate to some extent the unequal impact of such national policy. It should promote the flow of traffic and thereby foster a closer economic relationship between all parts of Canada. It should mitigate to a degree the divisive effect of great distances, by absorbing a portion of the transportation cost, and blunt to some extent at least, the sharp edges of any future general increases. It should be applied in such a manner as to avoid discriminating between different regions, and thereby be regarded as a truly national subsidy, one from which all parts of Canada may benefit, while still achieving one of its main objectives, that of redistributing the burden of transportation cost. It should not be of a nature that would simply result in the Federal Treasury under-rating railway revenue deficits.”

The submission goes on to point out that this could be established in a similar way by the adaption or the extension, for example, of the Maritimes Freight Rates Act. It could be called a Western Freight Rates Act, or a Maritimes-Western Freight Rates Act.

I don't like to bore you with long quotations, but I think it can be said more briefly if I do quote than if I put it into my own words.

One more quotation from page 47 of the final summation:

“The appropriate level of rate reduction under the subsidy legislation can only be determined by careful examination. It may be urged, however, that experience un the Maritimes Freight

Rate Act, should be useful for purposes of comparison, although the province of Saskatchewan wishes to make it perfectly clear that whatever the percentage reduction decided upon it should apply uniformly on traffic moving into, out of, and within the prescribed area. The province is not prepared to say whether a 30% reduction, as provided under the Maritimes Freight Rate Act, would effect adequate relief from the present high level of rates now paid by shippers. It is proposed that such a rate reduction as may finally be selected, might well be designed to incorporate such insufficient and short-term expedience as the bridge subsidy.”

I would like to read a final quotation, which is the last part of this final summation:

“The Government of Saskatchewan does not suggest that a national transportation subsidy ought necessarily to be restricted exclusively to rail traffic or rail carriers. Other carriers such as truck operators should not of course, expect to receive the subsidy automatically as a matter of right, but might qualify for it by meeting specific conditions. Truckers, for instance, might establish eligibility under the unified system of transportation control proposed by the province on condition of compliance with rules and regulations laid down by the Canadian Transportation Authority, and the inclusion of inter-provincial trucking within the jurisdiction of that authority. While Saskatchewan considers the preservation of the railway system or Canada to be fundamental national necessity, it is not the intention of this province to sanction railway monopoly, or to prejudice the legitimate growth of the trucking industry or of any other medium of transportation. It is a basic assumption underlying Saskatchewan’s recommendations, both for a unified pattern of transportation regulation and for a national transportation subsidy, that the various transportation agencies should be treated on a comparable basis to the fullest extent permitted by their physical characteristics and within the limits of administrative feasibility. It is urged that this principle be fairly applied in administering regulatory procedures, and in determining the application of subsidy, all branches of the transportation industry should

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be able to compete successfully and provide the cheapest more effective and most efficient transportation service to the people of Canada. The Government of Saskatchewan submits that the adoption of a national transportation subsidy of the type recommended by the province would mitigate the divisive effects of great distances, and permit transportation again to fulfill its historic role as a unifying influence within the Canadian nation.”

Now, Mr. Speaker, I have at some length quoted from the submission, and I want to emphasize the importance today as it was important seventy-five and one hundred years ago, this national policy in regard to transportation, that it does need attention today if it is going to maintain in happiness and good relations the union which was established in 1867. I hope this motion may be dealt with promptly and with unanimous support.

I regret the delay in introducing it to the House, but I did not want to introduce it until at least the copies of the submission were available to the Members. But I do hope it will get unanimous support and can be sent to the Royal Commission on Transportation and to the Government of Canada.

The question being put it was agreed to.

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