

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Fifteenth Legislature
31st Day

Tuesday, March 22, 1966

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

WELCOME TO STUDENTS

Mrs. Sally Merchant (Saskatoon City): — Mr. Speaker, before the Orders of the Day, may I on your behalf and on behalf of the members of the assembly, welcome a group of students from the city of Saskatoon. There are two schools represented in the Speaker's gallery, W. P. Bate and Vincent Massey Schools. They are here today led by their teachers, Mr. Billing and Miss Tolchinsky. They are having a tour of the city of Regina, and in the course of visiting us here in the legislature, I know members will want to make them welcome here.

Hon. Members: — Hear, Hear!

Mr. R. A. Walker (Hanley): — As the member who represents the constituency in which the two schools are located, I would like on your behalf and on behalf of all members on this side of the house to welcome them to the assembly this afternoon and to express the wish that they have a pleasant visit. I want, particularly, to express appreciation to the ambitious and aspiring member for Saskatoon (Mrs. Merchant) who seems to covet part of Hanley constituency. These two schools are both situated in Saskatoon suburbs which are part of Hanley constituency, the W. P. Bate School and the Vincent Massey School to the west of the city, both are very important parts of Hanley constituency. I am especially pleased, Mr. Speaker, as the member for that constituency to say how pleased we are at what a bright-looking group they are and to especially thank those who have come as their escorts, Mr. Billing and Miss Tolchinsky. I hope, Mr. Speaker, on your behalf and on behalf of all hon. members, they will have a safe trip home and that they will be able to praise the conduct of the members of the assembly so that next year Hanley constituency might again be represented in the Speaker's gallery.

Hon. Members: — Hear, Hear!

QUESTION RE EXPROPRIATION REPORT

Mr. E. Whelan (Regina North): — Mr. Speaker, before the Orders of the Day, I would like to direct a question to the Attorney General (Mr. Heald). Two years ago a Select Committee of the legislature, after a 35 day study of expropriation, submitted a bill to the legislature; it was an unanimous report. Last year a resolution urging immediate implementation of this legislation was debated. During the debate the minister said that the government fully intends to implement this legislation as soon as possible. On pages one, two, three and four of the Hansard, he said in closing his statement on the debate:

I am certain that an act will be introduced at the next session of the legislature.

Hon. D. G. Steuart (Minister of Health): — Mr. Speaker, on a point of order, questions of the day are to be of an immediate nature. By the time he has finished that speech it will be tomorrow.

Mr. Whelan: — Well, Mr. Speaker, I am sure the Attorney General will be unable to answer without the background. Now, the question is, can we expect the legislation that I have described in view of the statements. Can we expect it to be brought down at this session of the house?

Hon. D. V. Heald (Attorney General): — Mr. Speaker, the question is a matter of government policy and will be announced in due course.

Mr. R. A. Walker (Hanley): — May I ask a supplementary question of the minister? I would draw his attention to the fact that there will be likely a very substantial amount of expropriation involved in the area around Broderick if the government's policy is implemented. In view of the fact that the people there are very apprehensive about this would the minister consider introducing special sections in the act which will provide for a more humane and democratic method of expropriation for the people of that area.

Mr. Whelan: — In view of the statement that was made last year, does this indicate there is a change in policy on behalf of the government?

STATEMENT BY MR. SPEAKER:

Mr. Speaker: — Just before we go to the main order of business and in order to clean up a little unfinished item which might as well be done now I draw your attention to citation 188 of Beauchesne's Parliamentary Rules and Forms, page 159, subsection two:

A member of the government may act on behalf of a colleague in all cases, including the proposal of new clauses to a bill, but with this exception, or in the case of an unopposed return, no motion can be moved save by the member in whose name the notice stands.

I think that is the answer to the point of order raised by the member for Kelsey (Mr. Brockelbank). I do think it is reasonable because when a motion is set down by a private member and until such time as he rises to move it it is his own personal private property. He may never want to move it, and it will be up to him whether he does so or whether he doesn't. But once he has moved a motion, it becomes not his property but the property of the house at large to be dealt with by the house as it sees fit. On the other hand, the exception to the rule is that a cabinet member may move a motion for another cabinet member, which is indicative of our British traditions of collective cabinet responsibility.

SECOND READINGS

MR. A. R. GUY (Athabasca) moved second reading of Bill No. 07 — **An Act to Confirm a Certain Bylaw of the City of Prince Albert.**

He said: Mr. Speaker, I beg leave of the assembly, to move that

Bill No. 07, An Act to Confirm a Certain Bylaw of the City of Prince Albert be now read a second time and referred to the Select Standing Committee on Private Bills.

Mr. E. I. Wood (Swift Current): — Mr. Speaker, I would like to make a few remarks at the present time in connection with this bill. I would have preferred that the hon. member moving this bill could have made us aware of one or two items that I think are of importance to consideration of the bill on second reading, as to what percentage of the ordinary tax that this \$100,000 under consideration in the bill is, and as to whether or not this \$100,000 does include the school taxes. But as he has not given us this information, I assume that we will be able to obtain it when the bill is before us in committee.

In first approaching this bill, Mr. Speaker, I would like to make it very plain from the outset that I am not here discussing the pulp mill. Anything that has to be said about the pulp mill itself can be said at another time when the pulp mill itself is under consideration. What we have before us this afternoon is a bill concerning the abatement or reduction of a tax, of a municipal tax in regard to this pulp mill. I'm not here either discussing whether or not concessions should be made to industry coming into the province. This again is another question which could be discussed at another time, and I don't believe that the question as to whether or not concessions should be made is a matter of importance to us this afternoon. What is before us is as to whether or not municipalities should be asked to make concessions. I feel that if the government did wish to make concessions, this is another matter, but I do state emphatically now, Mr. Speaker, that I am opposed to municipalities being asked to make concessions in order to bring industry into the province.

This matter was under discussion last year in regard to what was known as the Cory Bill, where a bill was brought before the house to allow the RM of Cory to make reductions in taxation in regard to extension of the Canada Cement Plant to be built in that municipality. We had very, very many good valid arguments marshalled in this house and in the committee against such a procedure. We made it very clear, Mr. Speaker, that we did not believe that municipalities should be placed in the position of having to compete with one another for industry to bring a bill such as this in upon one or two occasions but it opened the door for another municipality to be expected to do the same thing upon another occasion. I think our argument last year is only being borne out yet more fully by the fact that we have a second bill of this type before us this afternoon.

Another thing that was brought out last year was that we felt it was not right that municipalities should be robbed of what was rightly theirs in regard to taxes by being asked to concede this type of concession to the industries that are coming in. I make it very plain, Mr. Speaker, that I consider that this bill by asking the city of Prince Albert to make this concession is indeed forcing upon them an increase in taxes insofar as the municipality is concerned. The fact that this municipality will be expected to make this concession to the Pulp Company will mean that the people of Prince Albert will have to pay added taxes during the years of this agreement in order to comply with that which is set forth in the agreement which is set before us.

Last year in speaking on this bill, the hon. member from

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Regina West (Mr. Blakeney) I think made some very good points and I would just like to, with your permission, Mr. Speaker, read some very short excerpts from the speech that was made by the hon. member from Regina West last year in regard to the Cory Bill. I think in regard to this Bill all you have to exchange is the name of the RM of Cory and the City of Prince Albert. The bills are very much the same insofar as the principle involved is concerned.

He said:

I am confident that all the ways have not been found and that the new government will find other ways to attract industry. I hope that there are new and fresh ways because the winning of industry to this province is always going to have its difficulties and accordingly, a flexible approach to attract industry will be necessary. But I say that I hope they will find some new ways, not the tired and worn out discredited ways of attracting industry, such as giving municipal tax concessions. This is perhaps the oldest way of attracting industry.

I might read further on down. The hon. member from Regina West (Mr. Blakeney) quotes the Mitchener Commission which had been sitting in Manitoba in regard to municipal taxation and other things, and it says:

The authority to grant special municipal tax preferences to industry in any form should be discontinued.

It goes on to say:

We recommend that the authority to grant any kind of special municipal preferences to industry be discontinued. At present, industry may be exempted in whole or in part from municipal taxes but not from local improvement taxes or school rates. These exemptions may be granted for a maximum period of ten years, if at least three-fifths of the ratepayers voting on the measure, approve.

As indicated, we have recommended that authority to grant such exceptions be rescinded. Furthermore, we disapprove of special legislation which permits the granting of fixed assessments to a particular industry.

The Mitchener Commission not only came out against this kind of concessions being made to industry, but it also came out against such things as this bill which we have before us at the present time. I think that this Mitchener Commission, the Hon. Mr. Mitchener himself, is an authority that cannot be very well laid aside as inconsequential. I think that when he has come forward with a finding of this kind in his Commission it should be given consideration by this house. We also have our own McLeod Commission Report, which has brought in findings to the effect that tax concessions as such should be done away with.

While I am on the subject of the bill of last year, I have here a copy of the submission made by the Saskatchewan Urban Municipal Association to the committee last year in this regard. There are two or three paragraphs here I would like to place on the record, if I may:

In the first place every owner of property is expected to pay his share of the costs of local services and each owner's share is decided according to the value of his

property. This is the first and basic principle upon which local taxation is based and to deviate from it is unfair to those who are expected to abide by it.

Then, too, a property tax concession amounts to little more than a subsidy by the remaining taxpayers in order to assist an enterprise to compete against other similar enterprises in other communities. This places a moral obligation on ratepayers in other communities to allow similar exemption.

Further, once one municipality allows an exemption the door is open for industries to go from one municipality to another seeking the one which will allow the biggest exemption. Ultimately, if the practice continues some municipalities may bid themselves into financial difficulties because housing alone will not support community services.

Finally, a well-economically-run community is in the long run a more attractive place for industry to locate because the turnover of workers is likely to be less and it will be easier to attract new workers. On top of this an attractive location for industry is more likely to attract customers. These when added together over a period of years, more often than not amounts to several times more than any tax concession that one can make.

There are some things, of course, Mr. Speaker, that are not too relevant in this regard when it is speaking of other communities, saying companies may go from one place to another, and shopping from one community to another. This might not be too valid in a case of a pulp mill because they know that there are not too many places in the province where this could be, but I still contend that the basic principle set forth and stood for by SUMA last year on this committee are still as valid and as much before us today in regard to the present bill as they were last year in regard to the Cory Bill.

I would like to say again, it has been pointed out that the assessment on taxation must be based on equity. When we depart from this we are going into a morass in which there is no basis and in which we are bound to end up in trouble.

I would like to point out again that I consider that this bill is simply shifting to the taxpayers of Prince Albert a concession that could have, and should have been made by the province of Saskatchewan if it was desirous of having this industry brought into the province.

Now, in looking at the bill itself, I notice that it says that there will be two years without taxes, there will be no taxes until commencing the 1st day of July, 1968; that is something over two years from the present time. At that time, Mr. Speaker, there will be a tax of \$50,000 for the remainder of that year. Commencing the next year there will be an amount of not less than \$100,000 per annum for the next 20 years. This tax is to be added to by three per cent. This three per cent will not be a yearly accrument, but the three per cent will be added to the \$100,000 in the first year and from there on the addition will simply be three per cent of the addition that was added the year before. In other words, the three per cent of the amount levied the previous year will not be added to the amount levied the previous year but to the sum of \$100,000, so that in 1968 the tax will be \$50,000, in

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1969 it will be 101,500, and in 1970 it will be \$103,045, in 1971 — \$103,091.35, in 1972 — \$103,092.74, in 1973 — \$103,092.78 and there it will remain, Mr. Speaker, until the end of the 20 years. It does not go up three per cent each year but will remain at the fixed figure, slightly over \$103,000 for the term of the 20 years.

Now, we do not know, as the hon. member moving the bill (Mr. Guy) did not inform us on this, we do not have the information before us as to how this \$100,000 will compare with what would normally be paid by the pulp mill to the city of Prince Albert by way of taxes. I have here, however, a newspaper report and as such I must emphasize it is only a newspaper report. However much I respect the reporters and people who write these things it is not an official statement by any government. This is from the Leader Post of February 1st, 1966.

Mr. Oliver (the City Commissioner of Prince Albert) says he cannot forecast how much of the regular city tax levy the \$100,000 will represent, since no one at this time knows how much of the \$65,000,000 expenditure will be on actual assets.

However, another usually well-informed source says it is expected the \$100,000 will represent about 50 per cent of the normal taxes.

In other words, it is said here, that the bill we have before us means that the city of Prince Albert will only receive about half of what the taxes would normally be with respect to this, and these taxes will not increase through the years it appears. The value of the property may increase, we may have inflation, Mr. Speaker, and whereas \$100,000 may be \$100,000 today, 20 years from now that \$100,000 may seem to be very small indeed in comparison to what is being paid elsewhere in the city of Prince Albert, and other cities in the province in regard to like establishments. And I make the point here, Mr. Speaker, that this bill we have before us makes no provision for an acceleration of the amount through the years due to the decrease of the value of our dollar or for any other reason. It makes no allowance for increases by inflation. So far as that is concerned, the matter of future growth of the plant is not clarified insofar as I can see in the bill at the present time.

I would like to point out, Mr. Speaker, that I do consider that the bill is a good thing as such. I am not trying to argue in regard to a pulp mill; it is something entirely beside what we have before us today. I would like to say again that my remarks in this regard cannot be construed against the building of a pulp mill, but I do maintain that we could have had a pulp mill without a concession such as this.

The minister apparently has said otherwise. I have before me an excerpt taken from the article, or the column "Under the Dome" for February 10th, 1966, in the Leader Post:

Finally explaining the legislation concerning the Prince Albert Pulp Mill, the Premier said any tax concessions given by the city of Prince Albert to this mill were necessary to obtain the mill.

The company that is building the mill told us flatly that if it could not receive some type of tax concessions it would not proceed with the operation. In other words,

without those concessions the mill would have been withdrawn.

In the early stages of such an operation I think this makes sense. We are as proud of this mill as anything we have done since we became the government of Saskatchewan.

All in all, Mr. Thatcher seems to be extremely proud of this speech and what it entails for the province, but the opposition thinks it will . . .

But in what I have read, Mr. Speaker, Mr. Thatcher indicates that he felt that this concession by the municipality was necessary to have this mill.

This I simply cannot accept. I can hardly see that a mill of this size, an expenditure of \$65,000,000 was going to be held out, or brought in because of the allowance of \$100,000 in tax exemptions by the city of Prince Albert. But this just could be so, this \$100,000 might have been the last straw that broke the camel's back, or vice versa. But if this \$100,000 was necessary to be given to the pulp mill, Mr. Speaker, I contend that it should have been done by the province of Saskatchewan, by all the people of the province, rather than having it foisted upon the backs of the ratepayers of the city of Prince Albert. I cannot see that this is a thing that had to be done. It seems inconceivable to me and I cannot accept this. It is rather inconceivable in the first place that \$100,000 could have made the difference and in the second place I cannot see that it was the city of Prince Albert that should be expected to have done this. But it is quite apparent that this is what the government has done. It has placed this responsibility upon the city of Prince Albert. Here I have in my hand an excerpt from the master agreement concerning the pulp mill.

Article 7,
The minister . . .

and for the purpose of this agreement, I understand the minister is the Minister of Natural Resources (Mr. Cuelenaere).

The minister and the Provincial Treasurer shall use their best efforts to secure from the municipality within which the pulp mill is located, for the terms of the management license, a tax rate satisfactory to the company on the mill land and buildings, and shall use their best efforts to secure any legislation which may be required in that behalf.

In other words, it has become increasingly plain that before this was agreed to by the city, the Provincial Treasurer (Mr. Thatcher) and the Minister of Natural Resources (Mr. Cuelenaere) had already agreed with the company that they were going to do their best to obtain this agreement from the city. In other words, pressure was brought upon the city in order to have this agreement made.

Now, I just can't see that the mayor of the city, being the president of the SUMA which last year went on record very plainly about opposing such a thing would of his own accord walk into such an agreement with the pulp mill company and come to us asking for this legislation. I think it becomes very plain that this was brought upon them and insisted upon by the government of Saskatchewan.

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I have another clipping here that tends to bear this out, Mr. Speaker, if I may put it in the record. This again is from the Saskatoon Star Phoenix, February 1st, 1966:

Mr. Oliver said the provincial government will pass an Order in Council providing for the annexation to the city of all land between the present city limits and the site of the mill six miles east of the city. Although city officials hesitated to speak for publication of the matter it was known that they were not altogether happy with the tax concessions that they had to give to the proposed industry.

This is, as I say again, a press report. It says that the aldermen of the city of Prince Albert were not entirely happy about this. It doesn't say that here but it is very plain this is something that was forced upon them by the government. I understand that the City Council was not happy and I understand also that the rural municipality was not happy. As far as I have been able to ascertain they were just not consulted in this regard. They were not consulted concerning the taking out of their municipality the land on which the pulp mill was to be built, and I think this all smacks of high handedness on the part of the provincial government.

I will certainly opposed this bill, Mr. Speaker, not because I don't approve of having a pulp mill but I do not believe in a municipality being saddled with this type of taxation and this is extra taxation saddled upon the city of Prince Albert. They should over the period of years have the access to being able to tax this mill as it should ordinarily be taxed as any other property in the municipality. If there are concessions to be made they should be made by the provincial government and no municipality should be made by the provincial government and no municipality should be made to compete with each other in regard to such matters as these.

It seems quite clear, Mr. Speaker, that I will not support this motion.

Some Hon. Members: — Hear, Hear!

Hon. J. M. Cuelenaere (Minister of Natural Resources): — Mr. Speaker, may I just ask the hon. member a question? Would you mind repeating the figures that you felt were going to be paid in 1969, 1970 and 1971?

Mr. Wood: — Yes, I will try to make a little better job of this than I did the first time.

In 1968, as I understand, the tax paid will be \$50,000; in 1969 it will be \$100,000 plus three per cent of the \$50,000 or \$101,500; in 1970, \$103,045; in 1971, \$103,091.35; 1972, \$103,092.74; 1973, \$103,092.78; and from thereon it remains the same until the end of the term. The increase is three per cent of three per cent of three per cent of three per cent of three per cent of \$100,000 which means nothing.

Hon. D. G. Steuart (Minister of Health): — Mr. Speaker, I don't intend to say a great deal because I don't want to hold this bill up, I want to see it get into

committee and discussed there. The representatives of the city of Prince Albert will probably be down and they can answer for themselves. But gain I must say that the attitude of the member from Swift Current (Mr. Wood) who has spoken on this tax bill is typical of the attitude of the opposition on everything that they have talked about on this pulp mill. It's a typical dog-in-the-manger attitude. They couldn't get an industry like this, they tried, they offered concession after concession. I was a member, Mr. Speaker, of the City Council of the city of Prince Albert in 1956 when they did everything in their power to get a pulp mill. They brought this fellow in from the West Coast, this promoter, and they paraded him up and down this province. They had headlines a mile high in the Prince Albert Herald and everywhere else, "Pulp Mill for Prince Albert". Little Tommy Douglas said, "This is not a concession; this isn't a promotion; it's a pulp mill. It's going to produce little paper cups, he told us. Well, it produced a little paper bag and the citizens of Prince Albert, who invested money on the strength of the promises made by the Socialists of that day, received a tremendous let down.

Mr. W. S. Lloyd (Leader of the Opposition): — What about the mill?

Mr. Steuart: — I don't think they made any municipal tax concessions, although they offered, as the Minister of Natural Resources (Mr. Cuelenaere) pointed out when he talked about the pulp mill, a tremendous number of concessions in the form of royalties, stumpage and forest area. But as far as this particular bill is concerned had this government done nothing as they on the other side suggest, the city of Prince Albert would have received nothing. The mill would not have been located within the city limits of Prince Albert. It would have been located about five or six miles, or eight or nine miles east of its present boundary, or the boundary as it then existed. The city of Prince Albert would have had to supply all the services or 95 per cent of the services for which they would have received not one five cent piece. Now, if this is what the hon. members opposite want, if this is what they want to subject the 24,000 or 25,000 people in the city of Prince Albert to, that's fine; but we don't intend to subject them to that kind of burden. We had to do something and we did something. We said that we would take it within the city limits of the city of Prince Albert for the simple reason that they are going to supply all the services, they are going to supply the housing and the policing and the roads and the recreation facilities and so on to service the growth of population that will come as a direct result of that pulp mill being placed there. So they did say they would take it in and then they made a tax deal. When the hon. member implies, by some editorial, some newspaper clipping he quoted but never could put any name to, that the city council of the city of Prince Albert was not happy or was pushed into this or forced into this, he is not talking facts. The city of Prince Albert, the city council was in on this. They knew it was happening and in fact they were extremely happy with what we did for they would receive some \$100,000 plus an increase every year rather than nothing. I can't understand the attitude of the people opposite. If they want us to change the situation so that the city of Prince Albert can receive nothing. Well, we have no intentions of doing that and I am sure the citizens of Prince Albert will appreciate it. Had we done nothing the citizens of Prince Albert would have received nothing. Make no mistake about that.

Now we come to whether this is a so-called tax concession.

The member that sat down I am sure is aware of how taxes are determined. You have an assessment and there is nothing. This may be a tax concession; it may not be a tax concession. But there is no industry in the City of Prince Albert that is in any way comparable to this pulp mill. It is so much bigger than any industry that they have now in the City of Prince Albert that when they went to apply their normal rate of assessment in taxation that would apply to a much smaller industry, I don't think you could say in fairness that this would have been fair and equitable to a giant industry like the pulp mill. I think that on the other side of the coin the pulp mill people were quite justified in saying, "We want to know". After all they are not natives of this country; they came into this country from outside; they are going to invest their money here; and they say, "We want to know where we stand in municipal taxes", just as they want to know where they stood on royalties. They wanted to know where they stood with regard to provincial taxation. So we sat down with the pulp people; we sat down with the city council of the City of Prince Albert, and we arrived at a figure of \$100,000, \$1000,000 more taxes than they receive from any other industry that they have now in the City of Prince Albert. We concluded an agreement that those taxes would go up year by year, and I question the figures that the hon. member mentioned. My understanding is, — that if it isn't that way I think it should be changed, — that it will go up actually three per cent a concession. I think you can call it a tax agreement so that the company that was coming in would know exactly where it stood not just this year and next year but for the foreseeable future.

Mr. Speaker, I hope that the members support this, because it will not only be one step closer to the realization of the pulp mill but it will guarantee annually to the citizens of Prince Albert income from that pulp mill of much more than \$100,000 a year. As for the City of Prince Albert or the council being pushed into this deal or forced into this deal, I can tell you categorically that this was not true. I can also tell you that the citizens in Prince Albert, including their mayor, their council and the city commissioner are extremely happy that we were able to do in twenty months what you people could not do in twenty years.

Some Hon. Members: — Hear, Hear!

Mr. W. J. Berezowsky (Cumberland): — Mr. Speaker, it is very difficult to contain oneself if you know the whole story of this so-called good deal between the City of Prince Albert and this government sitting opposite. I can't help but say at the beginning of my few remarks that I will oppose the bill with all means in my command and I shall try to explain to the legislature just what actually transpired.

It's alright for the minister to talk about sitting at a table and discussing this business with the City of Prince Albert, but the Minister of Public Health (Mr. Steuart), who was mayor at one time of the City of Prince Albert, knows quite well that he could have used provisions of the City Act and regulations to achieve his purpose. He knows just as I know and every member of this legislature knows, that he could have in the process acquired the land under control of Buckland Rural Municipality and have it added to the City of Prince Albert while the City of Prince Albert could have made their request in the orthodox manner.

Let's take a look at the situation as to what transpired in relation to this area near Prince Albert. You will find that

when you look at this bill, Mr. Speaker, that it mentions that the bylaw of the City of Prince Albert was first introduced into the Council Chambers on January 4th of this year. You will see on the other hand, when you study the agreement between Parsons and Whittemore and the Prince Albert Pulp Company and this government that the agreement was signed on December 2nd, 1965. And you will find that the land which the government suggested be exempted from taxation by this bill was not added to the City of Prince Albert until the 1st of February. Now, imagine, Mr. Speaker, in a democracy such as we live in, for the council of the City of Regina introducing a bylaw today to exempt, we'll say Buckwolds Limited in the City of Saskatoon, which is an industry, from paying taxes to the City of Saskatoon. Yet this is exactly what Prince Albert Council did do. I am not blaming the city so much for the minister has already admitted that it was he who negotiated with the city, and he has admitted that there has been collusion between him and the city council to steal this land, these eight sections of land on which the pulp mill is going to be built, from the Rural Municipality of Buckland, No. 491.

Mr. Steuart: — Did you say collusion or collision?

Mr. Berezowsky: — I said collusion! The facts are that on February 1st, as my hon. colleague from Regina said, City Commissioner J. W. Oliver in a telephone interview stated that the Arbitration Board arrangement for settling taxes had never before been used in Prince Albert and he knew of no such arrangements elsewhere are true. I was to submit, Mr. Speaker, that if the City of Prince Albert had desired to exempt this company from paying taxes for the year 1966 or 1967 or 1968 this could have been done annually and certainly without this rush and fuss. Later Prince Albert could have submitted to this legislature a legal and properly prepared bylaw and a bill that could be acceptable.

I have said on a number of occasions I am just as anxious to get a pulp mill into Saskatchewan as anyone, not one only, but two, three or four because it would be good for the province of Saskatchewan. The hon. member from Athabasca (Mr. Guy), who is never in Athabasca, giggles. My record is very clear. I stood in this house a number of years ago and I suggested to the then government that we should proceed with a pulp mill. I recognized then, and I will admit now, that certain concessions are necessary. But how far, Mr. Speaker, do you go with concessions? Do you give everything away that belongs to the people of this province? The minister and this legislature knows the fight that we have had to retain the resources of this province, to retain these resources as far back as 1930. He knows he can not say these resources don't belong to the people. Surely no one in this legislature would suggest that we should forego these resources, though everyone suggests that we must give some concessions. But we are not discussing this problem. I don't think there is a disagreement here. The disagreement today is on the procedures used by this government in influencing the City of Prince Albert to pass a bylaw and in submitting a bill such as you see here today which, if approved, would cede taxes over a period of years. If there is justification then I am not against conceding taxes legally and democratically but the Minister of Public Health (Mr. Steuart) should know how wrong this procedure is. He was the one who over the years charged the former government with compulsion, and compulsion. Now what has he done? He, Mr. Speaker, imposed the worst kind of compulsion that anyone has ever seen! Mr. Speaker, there is, I hope, such a thing as morality in politics and in government. Surely

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when we legislate or when we approve certain bills or certain laws, our decision is based on some kind of principle or some kind of philosophy. Members of this legislature know that over the years municipalities were given prerogatives and certain responsibilities in City, Town and Municipal Acts. Why then should any government after so legislating then deprive the municipalities of their rights.

The minister knows very well here were eight sections of land on the north side of the Saskatchewan River jurisdiction of the Rural Municipality of Buckland, No. 491. This municipality had hoped to benefit somewhat from taxes in their particular area, an area some five or six miles away from the boundaries of the City of Prince Albert to add this land six miles away to the City of Prince Albert. The government could have consulted with Buckland Municipality in the usual way that it is done, sat down at a table and no doubt arrived at some kind of agreement. I think they could have, but they did not do that! But a day before the proclamation was made on February 1st they sent a man out to interview the secretary of Buckland Municipality and the Mayor of the City of Prince Albert and Secretary of the School Unit, and what were these people told? They were told the government was making a proclamation adding this land to the City of Prince Albert and that was that! Neither the minister nor this government can hide this fact. The government was bound to do something. Look at the agreement. I have a copy of it here, on page five of the contract No. one, and it bears quoting:

The minister and the Provincial Treasurer agreed to use their best efforts to secure from the municipality within which the mill is located for the term of the management licence a tax satisfactory to the company, on the mill land and buildings and shall use the best efforts to secure any legislation which may be required on that behalf.

Now, what municipality is referred to here on the 2nd day of December, Mr. Speaker? The Rural Municipality of Buckland No. 491. The government, the Liberal government of this province, had not had the decency to keep faith with their own agreement. They did not meet with the members of that municipality. They did not make an agreement with them. They did not confer with them but went to another municipality, to the City of Prince Albert and then connived to steal this land, as I have said, from this municipality to add it to the City of Prince Albert.

Furthermore, if you read the next section of Article eight, you will find:

That the minister shall cause to be enacted . . .

And this is right in the agreement, this is what you promised the company,

. . . all Acts of the legislature of the province and to have all regulations passed within the legislative competence of the province that will be necessary or desirable to give full force and effect to all of the provisions of this agreement and all other agreements referred to herein.

Here is a government which is sustained by this legislature telling a company what they are going to do. And if one talks about arrogance, Mr. Speaker, then I have never seen such arrogance in

all my life. Imagine signing an agreement committing this legislature to legislate certain provisions, in this case this bill, then coming into this house and saying, "It's a good thing, everybody is happy, and this is what must be done". Well, this Liberal government will live for a long time to regret, yet to regret, what they have done to what you call democracy and free enterprise. If this is free enterprise I can tell you that the people of Saskatchewan don't want any of it!

All I can ask, Mr. Speaker, is this, "Where is the decency, the decorum, the wisdom and justice that we expect to have in governments?" And I ask you this: What are these gentlemen doing anyway? Last year it was Cory Municipality and you remember the fight we had over the Cory situation. It wasn't necessary. Yet it was a precedent that was established in the province of Saskatchewan. I think I said at that time, if not in the legislature, I said it outside of this legislature, Cory is just the beginning. Now they have come across with this deal, and this is the next step. Where are they going to end up?

Mr. Speaker, I would like to point out, this is not the case all over Canada. Only a week or two ago in Manitoba it was announced by the Premier of that province, who is a free enterprise Premier, that they would have a pulp mill at The Pas twice as large as the one under review and Manitobans are boasting that they are not giving numerous concessions. Let's take a look at what the Mayor of the town of The Pas says. This is in the Winnipeg Free Press of Wednesday, March 9, 1946, just a paragraph, Mr. Speaker. It is under the heading "No Tax Favors — Trager". Trager is the Mayor and he says this:

No concessions regarding tax reduction or tax exemption of free leases were made.

In other words here in Saskatchewan the Minister of Public Health (Mr. Steuart) is saying we can not have this industry without tax concession. But only a few miles away in an area very similar, in Manitoba, you have another government which has not given away the prerogative of the city or the municipality and created a sad situation as we have here. Here is another community, the Mayor of that community is boasting about the fact that they did not have to give away their prerogatives as has been done in our province.

Mr. Steuart: — They haven't got a pulp mill.

Mr. Berezowsky: — Yes, they will have a pulp mill before you have one and they will have another industry. They are going to have a lumbering industry and a pulp mill, and they are going to take some of your timber out of the province of Saskatchewan. You would not listen, and have given it all away to Simpson and others. Anyway, Mr. Speaker, I may have an occasion, another time, to discuss some of these things, maybe out in public. You can see very clearly that I don't intend to support the passing of this bill.

Some Hon. Members: — Hear, Hear!

Mr. E. Whelan (Regina North): — Mr. Speaker, whether it's Cory Municipality or Prince Albert, there is a basic principle involved in this bill that cannot be hidden by throwing in a lot of side issues. Mr. Speaker, there may be a need for exemptions to obtain industry. One has to consider the advantages of a basic industry. Other types of exemptions have been established and accepted but we are at the stage now where we have to curtail exemptions, not increase them.

My objection, Mr. Speaker, is not the exemption but the fact that it is being dumped on a municipality. Municipalities are overloaded with taxes and need more revenues, not exemptions. Homeowners are going to get some relief but they are still worried and upset about taxes on their homes.

Constituents in my own riding asked me to come and meet them. They had read about this bill in the local press and they said something like this to me. "This precedent established will force Regina to give the same sort of an exemption. Where will this stop?" And I promised them that when it came up in the house I would make a statement on their behalf.

I think if there is exemption to be granted, Mr. Speaker, it should be granted by senior governments. There should be some procedure whereby the cost of the exemption is spread over more people. The Ottawa government because of the need of industry has recognized this, and in particular where there is a basic industry involved, it knows that concessions may be necessary. For this particular area they have designated as a depressed area, the cash that has been made available has been put up by all of the people of Canada; cash on the barrel head to aid a depressed area in the province of Saskatchewan; and I approve of this principle. This is the method that should be used.

It is pretty rough on a municipality under the procedure that we are considering here today. I think there must be a better way of going ahead with this sort of concession. I say that it is not practical and it's not fair to local people who have to pay taxes and to provide services. This is a taxation benevolence that local municipalities should in wisdom question most carefully. Cities or municipalities are forced to capitulate when this sort of request is made if they want the industry. They have no choice. But I say, on behalf of the taxpayers in my constituency who have asked me to object, that I do object and I oppose the principle of this bill.

Mr. H. H. P. Baker (Regina East): — Mr. Speaker, I want to say a few words with regard to this bill and I am not trying to bring up things just because Prince Albert is getting this mill. We are all very pleased to see any city in Saskatchewan get industry; at no time do I condemn communities for that. But I certainly want to say that the principle of tax concessions is absolutely wrong for any city. Over the past ten or eleven years that I have had the privilege of serving this community, we have been swamped with tax concession requests in many forms. There was one time, some ten or eleven years ago, that the city did contemplate making tax concessions in the matter of the price of land. We get concession requests to give certain people lower industrial rates. There are many forms of concessions. I think that the Minister of Health (Mr. Steuart) mentioned that these people provide this within their own area, but you still must have your stand by and be able to service it from the city proper. Perhaps I misunderstood the Minister of Health in that they were providing these services. Did you say police and fire protection?

Mr. Steuart: — Police and fire.

Mr. Baker: — I noticed that the bill says that they are going to put in all the local improvements. This is something I would like to have clarified. It says here in one of the Sections of the bill

that the municipal tax does not mean local improvements, so I am assuming the company is taking all the costs on local improvements. Now there are many other improvements and services you must render to any industry and for the people that work there. Many people don't live in the city itself but yet their children may go to school. Schools have to be provided; recreational areas, parks, transportation, police and fire protection must also be put there. You must extend these facilities in any city in order to service it well. Many cities in Ontario over the years worked on the principle of tax concessions. I know of one community, Arnprior, which was a city of 5,000 some eight or nine years ago. They made tremendous tax concessions in providing all local improvement services which practically broke that community. In fact, the provincial government had to give extra aid to help them out. If they had received their full tax share, the assessable share, that community would have thrived and could have attracted others. I don't think that you attract industries by giving concessions. I believe that if industrial people want to locate in a community they are not too concerned about the tax structure. If taxes are the main reason for an industry locating in a community then I wonder if that industry is worth having.

I am not going to get into a discussion of the pulp mill today because I believe that is coming in a little later on. In Ontario today, and at our conventions we are getting numerous requests particularly from that province to try to stop the system of tax concessions as they now exist. We have been quite fortunate in Saskatchewan that we did not follow that policy. We broke the rule last year in the Cory Municipality and here we are forced with breaking it once again.

I don't believe the \$100,000 that is put in the bill to start January 1, 1969 and \$50,000, July 1, 1968, that this is even one-quarter of the taxes that could be realized from this industry. When you are spending \$62,000,000 I would assume that the buildings there would run anywhere from \$20,000,000 to \$25,000,000. I've been trying to get more details on this. A lot of that may be chemical processing but I am sure that there are many millions that are taxable. If you were to deal with these buildings in the area on which they are built I am sure that the full assessment would realize not \$100,000 or \$200,000. We would be safer in assuming it would be something like \$400,000. So these people are not giving concessions of \$50,000 or \$100,000. They are giving a lot more.

As I say, I am not in a position to quote how much, how big this building is going to be but when you spend that kind of money on an industry, there is bound to be \$20,000,000 or \$25,000,000 worth of building. I assume the rest is in machines and equipment.

Let me look at it another way. I don't know what the mill produces in Prince Albert. Our mill here produces \$180,000. I would assume it would run around \$30,000; perhaps it's less; perhaps it's more; I don't know. So on that basis, if it was \$30,000 you would be covering about 3 or 3 1/4 mills, but in ten years that mill might be worth \$100,000 or \$120,000 so you see what you are realizing in taxes from a tremendous industry of this type. It would then be paying to the city only the value of one mill. I am convinced that the bill is wrong and I am surprised they brought it in this way. If they are going to give tax concessions then you should let the City of Prince Albert assess this property in the proper manner and give tax rebates. Give them the authority to do this if this is the policy of the government and which I don't agree with. I think that by handling it the way we are here

you are creating unfair competition amongst all other cities and communities. I am sure that I would be surprised if the mayors of all the other cities would support this. I don't know how unanimous the council was on this matter. That's their affair. I'm not telling them how to run their city, but I am saying that as a result of what you are doing for Prince Albert, you are going to have requests from other areas and they are justified in asking for them. You will find that it will create a deterioration in the industrial climate of our communities. Think of what would happen if we had tax rebates or tax concessions in Regina. Suppose we gave it to the Imperial Oil today. The Saskatchewan Hotel got low assessing years ago on other services and it has caused endless troubles since then. Suppose we did it for one even ten years ago, every industry in our community would have a right to come back and ask for a tax rebate. I think that the whole principle is wrong. I don't think that it's fair that the 24,000 or 25,000 people of Prince Albert should be saddled with this extra cost to make up that extra \$300,000 which they are not going to get. And it isn't 24,000 who are paying for it. You may have 7,000 or 8,000 burgesses, I don't know what the ratio is. So you are putting an extreme cost on fewer people. We are giving so many concessions in many ways when you think of the pulp area that is being given to these people. I have been told that it's enough to take care of five mills. Perhaps they are going to build five. I hope they do. But the thing is, in so many ways we have given concessions and on top of it we are going to lend them a large sum of money, money that you and I as taxpayers must pay. So in essence, they are getting greater concessions than any province can afford to give. It's true that work will be created but as I have mentioned, not everybody employed lives in that community.

Take our potash development, some live at Pense; some, I believe, at Belle Plaine, Moose Jaw and Regina. So they do spread around and they may even start a new settlement several miles from Prince Albert as a community and live there and work in the mill. I'm not against that. That's fine but the thing is you are putting all the cost on one community to take care of these requirements that one firm wants.

I think Mr. Speaker, that as members here we owe it to the Prince Albert people to protect them while they are being called on to pay more than their share. It's not only Prince Albert. It's you and I and other parts of this province too that are indirectly subsidizing this. Let's face it. Not just Prince Albert. And I think that before this bill is passed we should give the people of Prince Albert an opportunity to voice their opinion on this. I would suggest that they be allowed to have a plebiscite in Prince Albert whether they would approve this tax concession. To me this is fair. This is democratic. We are forcing this upon the people of Prince Albert in this legislature at the point of a gun. We are going to give this firm \$300,000 a year and you are going to pay for it, some of it coming from other parts of Saskatchewan. And so I think it's all wrong. I don't think you even need this bill. If they are going to give concessions do it through a method of rebate. Give the city the opportunity. We had one last year and another one this year. How many more are going to come in next year? The first thing you know the companies in Regina will be coming here and saying, "We want tax rebates". And the government, I suppose, would vote to give it to them.

I am not here to condemn the pulp mill. I am here to promote industry. I have worked hard to get industry and we've got it here in Regina and I want to see the other communities get it.

I wish we would have had a pulp mill 20 years ago. As I stated at our last session, had I been in this legislature I would have asked this legislature to build one itself. With the money we are putting in today it might be better if we owned it ourselves. So I think that this should be thought out more fully. I think the Urban Municipal Organization should have a say in this matter at their convention. In principle they are against concessions. SUMA has always opposed it. Here again, on one hand we accept the things they vote in; on the other hand we throw them out when it suits the government's purpose. I'm not ridiculing this pulp industry that's coming here. It's good and I think that before we are through we'll own it anyway. Why start giving concessions here for a tremendous industry; they are not here for the good of their health. If they are coming here they are coming here to make money, and they are going to make plenty. And I think the people of Saskatchewan and particularly Prince Albert, deserve a little of the royalties and the fruits of their labor from our resources. Mr. Speaker, I would like to say a few more things on this, so I beg leave to adjourn the debate.

Mr. Speaker: — The member has asked leave to adjourn the debate. Is leave granted?

Mr. Steuart: — We've got to get this into committee. No, I oppose it.

The question being put on the motion for the adjournment, it was negatived on the following recorded division:

Yeas — 21

Messieurs

Lloyd	Thibault	Link
Cooper (Mrs.)	Whelan	Baker
Wood	Nicholson	Brotten
Nollet	Kramer	Larson
Walker	Dewhurst	Robbins
Brockelbank (Kelsey)	Berezowsky	Pepper
Davies	Michayluk	Pederson

Nays — 28

Messieurs

Howes	MacDougall	Breker
McFarlane	Grant	Radloff
Boldt	Coderre	Romuld
Cameron	Bjarnason	Weatherald
Steuart	Trapp	MacLennan
Heald	Cuelenaere	Larochelle
Gardner (Melville)	McIsaac	Hooker
Guy	MacDonald	Coupland
Merchant (Mrs.)	Gallagher	Mitchell
Loken		

Mr. Speaker: — I declare the motion to adjourn lost. The debate continues on the motion.

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, may I add just a few words, because of the development which has just taken place.

I want first of all to say something with respect to the intervention into the debate of the Minister of Health (Mr. Steuart). He proceeded, of course, in what has now become the manner which we all expect him to proceed namely, to say nothing about the matter under discussion and secondly, to completely distort and attempt to reverse the position taken by members on this side. I think, Mr. Speaker, that the member from Swift Current (Mr. Wood) who expressed the position of those of us on this side of the house, made it very clear what the point of the discussion was. He made it very clear that this was in no way to be interpreted as an attempted argument against the pulp mill as such. He made it extremely clear that what was under discussion was a principle with respect to industrial development, the principle which the government has now endorsed for the second year in a row or is proposing to endorse is that the community to which an industry must go must make a substantial contribution to that industry by way of foregoing its taxes. And the position taken by the member from Swift Current and others who have spoken from this side, is that it is not fair, it is not right, it is not just, to impose this kind of a burden on the community. If there are to be supports, financial and otherwise, then let that be carried by the province as a whole. Let the government propose legislation on its own behalf, let it not propose legislation which is detrimental to a municipality concerned. The argument of the Minister of Health (Mr. Steuart) was that the City of Prince Albert is better off than it would have been had this not been done. That, of course, is probably true. But that isn't the point. The point is whether the City of Prince Albert is as well off as it should be considering the investment within what is to be the city limits and considering the capacity we expect of this particular industry to pay its way along with the other industries of the city.

Mr. Speaker, I think, as I said earlier, the argument has been well stated by members who have spoken on this side of the house. The member from Regina East (Mr. Baker) has asked for the right to take an adjournment and has been opposed in asking for this right. There is one reason which I think can be advanced for adjourning this debate for some time that ought to be considered. That is that we are approaching the time in which the Urban Municipal Association is going to meet and I suspect that it would be quite in order to have this question discussed in principle by that particular association. I am not at the moment completely sure when it meets. It always meets before the session is completed and I think that it is proper that this legislature not rush to pass this particular bill before that time. After all there are other bills to be passed, Mr. Speaker. We do not as yet have before us the bill with respect to the pulp mill itself. This is going to have to be passed. The government says through the mouth of the Minister of Health (Mr. Steuart) that there is a tremendous urgency about this. But the government has let the bill stand on the Order Paper for ten days to two weeks already and has not sensed any particular urgency in putting it before us.

An Hon. Member: — Since March 3rd it's been on for second reading.

Mr. Lloyd: — Since March 3rd. Because I

think that it is realistic on the part of this legislature to want to know what opinions the Saskatchewan Association of Urban Municipalities may have when they have an opportunity to express this in convention, Mr. Speaker, I ask for leave to adjourn the debate.

The question being put on the motion for adjournment, it was negatived.

Mr. A. M. Nicholson (Saskatoon City): — Mr. Speaker, in view of the fact that hon. members wish to settle this question today, I would like to make a few comments. I think the proposal made by our leader (Mr. Lloyd) had a good deal of merit. I think it was significant that this measure has been on the Order Paper for nearly three weeks now. It was expected it might be called so that the people who were here from all over the province for the SARM convention last week might have a chance to be in the galleries to hear what has been said because this measure does affect local government. It was thought that after the experience of a year ago that the government of Saskatchewan wouldn't again propose legislation which is so detrimental to local government. As has been said by the member from Regina East (Mr. Baker), if municipalities start now to offer inducements with a view to having industries go to one place rather than another, it's going to be quite chaotic. Now it so happens that my city of Saskatoon isn't likely to be competing for a pulp mill, but if it was another important industry it would have a great many features to offer.

I think there are factors that make it logical for an industry to go one place rather than another, but when you consider that the government of Saskatchewan in a very affluent year is guaranteeing so many millions of dollars to establish this particular industry, it seems hard to understand why the taxpayers of Prince Albert must be asked to forego the sort of revenue as proposed by this bill. I would think that, as an incentive, to have industries come to Saskatchewan, the government of the day would be quite justified in providing in the estimates each year for sizeable amounts of money to encourage industries to come here. After the decision is made to come I think it is most unfortunate that the government of Saskatchewan is imposing on the hard-pressed local governments, in this case, a rural and an urban, to make concessions which are going to be made with a view to establishing this industry. I am sorry that the majority of the house was not willing to allow a longer time so that the representatives of SUMA might have a chance to express their views at the annual meeting which is coming up shortly. I think it's unfortunate that for the second year in a row we are having legislation that is purely contrary to the best traditions in municipal government all across Canada.

Mr. W. G. Davies (Moose Jaw City): — Mr. Speaker, I have only a few words to add to those made by my colleagues on this side of the house. I'm going to try not to repeat what has already been said. But may I make this point. To me this bill before us contradicts the spirit and intent of legislation already approved by the legislature of this province. I'm, of course, referring to the fact that the City Act has an express prohibition against municipalities granting this kind of exemption from taxes except on a yearly basis. For us to be doing this by supplementary legislation in the house, as convenience and expediency suit, does not seem to me to be doing good business on behalf of the people of this province. As I have said, it contradicts the very basis of legislation that other

legislatures have approved and which indeed was approved by a Liberal legislature many years ago.

I remind the house that this year the province of New Brunswick is considering legislation that will make it impossible for municipalities to give this type of exemption to industries that wish to locate within their boundaries. Here we find another Liberal party doing something contrary to that which is being done by its counterpart in the province of New Brunswick.

If this point has not already been made sufficiently strong it seems to me that considering the very extensive assistance that is being given by the province because it is considered wise and in the public interest, to have a pulp mill at Prince Albert, why in the world is it not possible to go a little farther and not place the burden of loss of taxation revenue on the municipality but to grant it in some way, shape or form as a supplement by the financial action by the province. It should not be the municipality that does the subsidizing. It should be done at a provincial level. I think that principle is a good one and one which as I have said is already confirmed by the existing statute. I refer, of course, to the section in the City Act.

Now, apart from all these questions it seems to me that in the long haul action of this kind really harms the smaller municipality because what is sauce for the goose is sauce for the gander. If this can take place one year at Prince Albert, why not the next year for Regina, why not the next year for Saskatoon and so on ad infinitum? I say that really the smaller municipality will be placed at a disadvantage in competitive arrangements of this kind. Because make no mistake, this type of action will induce a like competition among other municipalities. They will say what was good for Saskatoon, what was good for Prince Albert, should be good for us. It seems to me that the smaller municipalities with a smaller tax base, with less ability to subsidize are going to be at a disadvantage so that the larger municipalities, the larger urban municipalities in particular, in the long haul, will benefit from any competitive arrangements. It is not, therefore, in the public interest for us to be considering bills of this kind particularly, so it seems to me, because Prince Albert is not by any means, the largest urban area. It may very well be that because of precedents that are set at Prince Albert that Regina and Saskatoon in asking for similar rights in the future may place Prince Albert in a disadvantageous position within a very few years time.

For all of these reasons and for another reason that has been advanced, Mr. Speaker, namely that there should be no unseemly or indecent hurry in this house over the passage of this bill, I believe we should not rush. This would clearly have been an object of discussion at the SUMA convention; and we might very well have waited to have seen the outcome of their talks. Aside from that, I have been to conventions of the Urban Municipalities in previous year. I have discussed this with delegates there. I know that this kind of measure has not met with favor at SUMA conventions; that generally the delegates at SUMA conventions have been opposed to the measure that is proposed here. For all these reasons, Mr. Speaker, I believe that it will be most unwise for us to give approval to this bill.

Mr. Berezowsky: — On a point of order, Mr. Speaker, I may be wrong but I would like your advice on this. I pointed out when I spoke that this bylaw was conceived by the City of Prince Albert on the fourth of January at which time (I'm not making a speech, I'm asking for a

point of order if this is legal or not) at which time the land referred to in the bylaw was under the jurisdiction of another municipality. In other words, here was a municipality legislating or bringing in a bylaw which was not within the jurisdiction of the City of Prince Albert to do so. How then can we in this house consider such a bylaw or are we properly able to consider it? The bylaw was finally passed on February 1st. I would like to point out, Mr. Speaker, that on February 1st a proclamation was issued to approve. Now whether this is legal or not, I don't know.

Mr. Speaker: — Well, I think that is a question of law rather than a point of order and it's not for the chair to adjudicate questions of law.

Hon. J. M. Cuelenaere (Minister of Natural Resources): — Mr. Speaker, I can assure you that I don't intend to speak at any length on the subject of this bill to ratify the bylaw, but I feel that it is necessary to clarify one or two points. I think that in my fairly long association with municipal government, most of it spent in the City of Prince Albert, the city that is now asking and has petitioned this legislature for this private bill, and my long association with SUMA which has been referred to here, I have made my position very clear that I, in common with many other municipal men, do not like any form of tax concessions being given to industry.

Normally I think it is bad practice. In my opinion, in most cases when industries come to a city they should be able to go to that city on the same basis as any other citizen. I think that I have throughout the years been associated with municipal governments that have taken that stand. I have taken that stand also since I have been a member of the government. But, Mr. Speaker, I do think that there are special circumstances that alter the general rule. I would like to submit to you that this industry, even the industry that was introduced here last year does and did present special circumstances. Now, there is no doubt that judging from the attitude that has been adopted both in and out of the house that everything possible is going to be done by the opposition to kill this pulp mill if it is at all possible to do so. They have condemned it in every form, at every opportunity they have had. Now, Mr. Speaker . . .

Mr. Lloyd: — False.

Mr. Cuelenaere: — I pointed out when I spoke earlier to the house that over and over again outside of the house the former Minister of Natural Resources (Mr. Kramer) has done anything he could to condemn this pulp mill and the hon. member from Cumberland (Mr. Berezowsky) has done the same thing.

Mr. Speaker: — Order, order!

Mr. E. Kramer (The Battlefords): — On a point of order. I did not say . . .

Mr. Cuelenaere: — It is not a point of order. I think I can only repeat exactly what he said. The former Minister of Natural Resources (Mr. Kramer) went up and down Bengough and up and down this

province talking about sell out, and this is just some more of the same thing. Mr. Speaker, I can only say this, in order to obtain a pulp mill for Saskatchewan something that was thought to be very essential and very important to an area that for so long has been depressed, where there was such a large number on social aid, that it was necessary to give certain important concessions. Now, there was a suggestion, Mr. Speaker, that the City of Prince Albert was in some measure forced to give these concessions. The hon. member from Cumberland (Mr. Berezowsky) even went so far as to say that when the contract was signed on December 2nd we had the RM of Buckland in mind and that we were dealing with Buckland before the land was transferred to Prince Albert. Well, I can say, Mr. Speaker, that this is just a lot of nonsense. As a matter of fact, right from the very beginning both the pulp mill and the government dealt with the City of Prince Albert. Before this contract was ever signed the City of Prince Albert was asked to come to Regina. The mayor came with two of the aldermen and the City Commissioner and we sat down and discussed this whole subject of tax concessions and what the city was capable of doing. Originally, I can say this, the Pulp Company was asking for considerably more concessions than were finally granted. They felt that to begin with, for the first few years of production, that possibly there should be even a smaller amount paid to the city than the amount mentioned in the bylaw. But as a result of negotiations with the City of Prince Albert and the Pulp Mill the formula or the tax structure that is set out in the bylaw was agreed upon. Mr. Speaker, this is not a government-dictated concession; it's a concession that was arrived at between the Mill and the City of Prince Albert. They are quite satisfied and I think that I am sufficiently well acquainted with the City of Prince Albert and its people — I have been back there several times since the agreement was signed in December; I was there during the Christmas season and during the month of January and I have been back there twice since the opening of the house; and everywhere, everywhere in the City of Prince Albert among all classes of people, be they professional men or business men or the labouring class, they are mighty happy with this mill and they are quite happy with the concession that is being given by their city.

Mr. Speaker, I should point out to you that somewhat different circumstances exist here is the case of an ordinary industry. For example, and these have been tabled, the agreement with the Pulp Company provides in Schedule B that a road will be constructed from highway no. 2 in the vicinity of Prince Albert to the pulp mill site. The road will be a multipurpose, all weather road specified as follows; and it proceeds to mention the type of road that has to be built. Then it goes on to provide that a bridge over the little Red River will be built and this road and this bridge have to be built not by the city, which normally has the obligation to build roads, access roads and streets leading to an industry, — the development of a particular area is the responsibility of the city. In this case the province is going to build this high standard road to the mill site. The city is completely relieved of the construction and the maintenance of that particular road. Secondly, this mill is going to be situated, — people who are acquainted with the area around Prince Albert will know, — across the river some five or six miles down stream. We all know that the area east of Prince Albert, right up to the airport is completely or practically completely undeveloped. There is a river road leading to the airport and this mill is going to be built beyond the airport. Now, the services that the city is going to be required to give to the mill are comparatively light. There is very little that the city is required to do. It's going to give fire

protection to the extent that the fire department could be called in the event that there is a serious fire in the area, but these mills as we pointed out to the city are always well equipped with their own fire extinguishing facilities. There are going to be guards residing there 24 hours a day, so that police protection is not a very large issue. Any local improvement that the mill asks for will have to be paid, — this concession covers only general municipal taxes. It includes both school and municipal taxes.

It is very difficult to say, as was pointed out by the hon. Minister of Health, the member for Prince Albert (Mr. Steuart), on what basis one would have assessed the Prince Albert Pulp Mill situated where it is, having regard to the services which the city is going to be called upon to give to it. As a matter of fact, I think that the strongest argument in favor of assessing and taxing this industry is not services but the fact that a goodly number, probably the vast majority of its employees, are going to be residing within the City of Prince Albert. Now, we all know, and I think it is a recognized fact that some taxation must come from the industry in order to properly balance the economy of a city. As far as we were concerned there was going to be no doubt in our mind that this mill was not going to go into Prince Albert and hope in any way, shape or form to escape taxation. The question was what was an amount that would be reasonably satisfactory to the City of Prince Albert, an amount which the City of Prince Albert felt would be sufficient for them to operate under and this particular figure was arrived at.

The hon. member from Swift Current, the former Minister of Municipal Affairs (Mr. Wood), I suggest, misinterpreted the wording of the bylaw. He suggested that the tax rate is going to rise something like \$50,000 in 1968, \$100,000 in 1969 plus three per cent of \$50,000 and, of course, three per cent of \$50,000 is \$1,500. Mr. Speaker, I suggest that the bylaw that was passed by the City of Prince Albert, the bylaw which is now being ratified, doesn't say that at all. It says very clearly that there will be no taxes during the period of construction. It has already been announced that the expected date of start up is July 1st, 1968. There are no taxes during the period when the mill is being constructed. This is nothing unusual. I know that in some instances buildings in progress are assessed, — I don't know the practice in Regina. Generally in Prince Albert it has always been the practice that while a building was under construction, as far as I can recall, it was not subject to taxation. But in any event in this particular case during the building of the mill itself until the estimated date of start up, namely July 1st, 1968, there are to be no taxes against the mill. From start-up, in view of the fact that start-up is in the middle of the year, they are going to pay half of the agreed amount of \$100,000 that first year. Then in 1969 the tax is clearly set out, that is \$100,000, and thereafter \$100,000 plus three per cent on the tax that was paid the previous year. Now, as I calculate this it simply means that by 1970 the tax will be \$103,000, then it will go up three per cent of \$103,000 and three per cent each year on the growing amount, and as a result by 1974 the tax against the mill will be \$115,800. Certainly this is what it intended to say and if by any chance the bylaw doesn't say that it may be necessary to change the wording of the bylaw. But there is no doubt about the purpose. The intent of the legislation was to reflect that generally speaking, over a long term, taxes appeared to have been going up at the rate of approximately two to three per cent per year and this is pretty well based upon statistics that have been studied. It was felt

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that the city would be entitled to increase its taxes by three per cent of the tax the previous year and as far as I am concerned this is what it says:

An additional municipal tax equivalent to three per cent of the amount of taxes levied against said company and its assets during the year immediately preceding the year in question.

So it is quite clear that the tax will be at least \$100,000 and in addition thereto three per cent of the amount of the year immediately before it.

Now, I don't think we are going to engage in semantics at this time when we are discussing the principle of the bill, but certainly this is the first time that I have had occasion to. This bylaw was prepared by the city solicitor, and this is the first time I have had occasion to go into it in detail. I do know what was intended and without a doubt this was the intent of the arrangement that the taxation in 1969 would be \$100,000 and that thereafter it would increase at the rate of three per cent a year.

Now, Mr. Speaker, I don't know that I am going to try to answer all the arguments that have been brought forth. I think that some of them were repetitious. I think that the main thing I want to point out is that the City of Prince Albert itself wanted this bylaw; they are satisfied with it. They believe that this industry is going to bring about the development and an impact on the city and in the area that in the long run is going to be of tremendous benefit to it and they are prepared as a city to make this concession. As for the suggestion that this land having been stolen or taken from the municipality, it is a reflection that is being cast upon the government and others with regard to the annexation of this land. All I can point out is that this land which is being taken over was government-owned forestry land and was tax free in the RM of Buckland. The province followed the usual procedure under Section 11 of the City Act which provides that:

The Lieutenant Governor in Council may upon the request of the council of a city include within the city any territory adjacent thereto that from the proximity of streets, buildings or from the probably future exigencies of the city it may be deemed desirable to include therein or to annex thereto.

I was felt that because (as was pointed out by the member from Prince Albert) most of the services to the people working at the mill were going to be performed by the city the mill site should be included within the City of Prince Albert and the city should get the benefit of the taxes that would be paid by the mill. It was quite properly pointed out by the Minister of Health, the member from Prince Albert (Mr. Steuart), that when this mill was going to come to Prince Albert, it could have chosen to build some distance away where probably the taxes would have been considerably lower than within a city and let the responsibility fall on the city and others but the mill didn't want to do that. It felt, gathered from experience, it wasn't good to go out into an area such as Candle Lake or some other great distance and build a mill town. It isn't good for the town; it isn't good for the people. They prefer, despite some transportation cost, to build near a city where there are available services, schools and other services. They wanted to build close to an established community,

and Prince Albert, as I said before, was very glad to receive them. So I suggest that the procedure that was followed was purely normal procedure to annex this portion of land to the city. It represents absolutely no loss whatsoever in revenue to the RM of Buckland and it will provide some added revenue to the City of Prince Albert.

Now, the hon. Leader of the Opposition (Mr. Lloyd) said with respect to a statement that the city is better off. He said, "This is probably true", but that is not the point. The real point is "how much better off it could have been were it not for this bill or these concessions". Well, Mr. Speaker, if the city is going to be better off at all, then I submit that the bill is a good thing. But we can't speculate how much better off it would have been if it had not made these concessions, because if the city had refused completely to make a concession it wouldn't have had a mill at all. So we would have been back in the same position as the city has been for the last 20 or 30 years.

For some 20 or even 40 years we have been talking about the construction of a mill in the City of Prince Albert. I can remember when I first came to Prince Albert in the 30's there was talk of the possibilities of a pulp mill for Prince Albert and that the future of Prince Albert lay in the fact that we would have to have better utilization of our forest resources. Then, of course, this old talk came forth again during the 50's when over and over again it was said that they would get us a pulp mill, generally just before election time. The thing would blare out for a few days in glowing red headlines in the Prince Albert Herald that an agreement had been signed whereby there would be a mill. Then in a matter of a very short time the thing would completely collapse. So, at that time it never arrived at the position whether the city would be required to give any concessions or not.

So, Mr. Speaker, all in all this agreement that has been entered into is one which, I think, was pretty well one of necessity. The province of Saskatchewan has some advantages and this had to be recognized. The mill felt that the concessions that were given both by the province and some concessions by the city for a period of time were necessary. I want to point out and to emphasize that the concession that is given to this mill is only for a limited period of time. The concession will expire in 1989, (it's a 20 year concession), and I submit that this is a concession which is not excessively long having regard to the benefits that will accrue.

Now, some effort was made to compare the situation here with the one in Manitoba. The hon. member from Cumberland (Mr. Berezowsky) said it was a mill double the size. I have read the report. It is a mill of 300 to 400 tons a day which looks to be a mill of about half the size. The Manitoba proposal involves the construction of a series of sawmills and other developments. I haven't seen the contract; it's very difficult to say just exactly what it is. But so far the prospect of a mill in Manitoba is only in its first stages of negotiation and it is very difficult to say just how far it will develop. I can say this to this house now that as far as we're concerned in Saskatchewan we are just as far advanced for a second pulp mill as they are in Manitoba for their first pulp mill. We have an agreement with the Simpson Company that promises a pulp mill just as much as the one that is discussed in Manitoba. There have been so far no discussions as to tax concessions or under what terms or the final terms which would

be arrived at. It demands an awful lot of dealings and a considerable amount of discussion before terms are finally arrived at.

I know there has been talk, there has been some desire to adjourn this debate and postpone it until there has been a meeting of SUMA and all these things. Well, Mr. Speaker, all I can say is that an arrangement has been made with the City of Prince Albert. This matter has been finalized as far as the city is concerned and I don't think it's a subject now that can be reopened. It was something that was felt necessary in order to bring this industry and I want to appeal to the house to join and I am going to appeal to the members opposite to join with the government in bringing an industry that will do so much for so many people that have in the past had so very little. I think that for once we should be able to show some unanimity in a progressive step towards the development of the province of Saskatchewan. I think we should pass this bill now, refer it to the committee. If by any chance the bylaw doesn't say exactly what was intended, these things could be changed in due course. I think that this bill should now be passed on to the committee so that it can be processed in due course.

Some Hon. Members: — Hear, Hear!

Mr. I. C. Nollet (Cutknife): — Mr. Speaker, I just want to make a few remarks in connection with the points raised by the hon. member from Prince Albert (Mr. Steuart). One of the statements he made was that because of the special circumstances involved these tax concessions to the City of Prince Albert were justified. Incidentally, Lloydminster is a depressed area too and they are much more depressed at the present time. Instead of concessions they get nothing, they get discrimination. However, Mr. Speaker, this was the argument. But I don't think this argument was valid because all of these special circumstances that the hon. member referred to were removed by the fact that this became a depressed area by some mysterious process in recent years, so that a \$5,000,000 grant was made available from the government, which is my opinion, went much farther than anything else to attract this industry to the Prince Albert area, because it was a depressed area. So the offset to being a depressed area, the offset to special circumstances was the \$5,000,000 that the federal government contributed to this area.

Now, it seems to me that in view of this circumstance a greater responsibility could have been assumed by the provincial government. If there were additional taxes required at the local level or tax concessions required at the local level, then certainly this could have been taken care of by the province itself rather than putting the burden not on the city but on the ratepayer of the City of Prince Albert to provide services for the people who will be employed in the mill. These services are quite numerous according to press reports, for educational facilities and all the rest of it. It's a principle that is involved here and this principle was raised by the legislation itself. This is two years in succession now that the legislature has been asked to make a special concession and a special exemption so that a particular area could accept a grant of money. Whether this grant of money will be sufficient to cover the total cost involved on the part of the city to provide education and other services remains a big question mark. This we don't know but we believe that it will be insufficient, and as a result additional tax levies will be placed on the ratepayers and the City of Prince Albert. This is the

point in principle and the point the opposition objects to. We feel that taxes at the local level ought to be fair taxes and they ought to represent the actual cost of the services provided. There is no reason in the world why local ratepayers should be asked to assume a responsibility that rightfully belongs to the provincial government in this regard.

Mr. Speaker: — The mover of the motion is about to close the debate. If anybody wishes to speak he must do so now.

Mr. A. R. Guy (Athabasca): — Mr. Speaker, I have very little to add to what our two ministers on this side have said. They have answered the criticisms of the members opposite quite well. But I would like to remind the house it is general practice to refer to the Select Standing Committee on Public Bills, the private bills without debate, and nine out of ten this year were referred in that manner. The details are better discussed in committee when the officials can explain and defend themselves. However, on this particular occasion it was significant that the members opposite could not wait to try and destroy the pulp mill until it got into the Private Bills Committee. They had to get up here today and make the same accusations that they have been making across the province from the day that the pulp mill was announced.

Mr. J. H. Brockelbank (Kelsey): — Don't be so simple-minded.

Mr. Guy: — Yes, and there are a lot of simple-minded people over on that side of the house and they prove it every time they get to their feet.

I think that what is significant, Mr. Speaker, is that the people of Prince Albert want this legislation. They don't need the members opposite to tell them what they need and what they don't need, what they should do or what they should not do. The elected representatives of the City of Prince Albert passed the bylaw thus showing their favor for it. Now, the Mayor of Regina (Mr. Baker) who made his little speech and then left, said he wanted to protect Prince Albert. Well, I can assure you that the people of Prince Albert don't want any more Socialist protection. They had it for 20 years and never got a pulp mill and if the Socialists had stayed in office they still would never have had a pulp mill.

They say that the people of Prince Albert should have a plebiscite. Again I can assure the members opposite that the people of Prince Albert have great confidence in their duly elected members to the council and if they are in favor of it well then everyone in this house should also be in favor of it.

Motion agreed to and bill read the second time.

ADJOURNED DEBATES

MOTION: UNEMPLOYMENT INSURANCE RE FARM WORKERS

The assembly resumed the adjourned debate on the proposed motion moved by Mr. J. B. Hooker (Notukeu-Willowbunch):

That this assembly urges the government of Canada to extend Unemployment Insurance Benefits to include farm workers, in order to overcome the difficulties of farmers in obtaining farm labour.

Mr. Speaker: — Hon. members will recall that when Motion No. 7 came before this assembly again on Thursday last, an amendment was offered by the hon. member for Watrous (Mr. Broten), seconded by the hon. member for Wadena (Mr. Dewhurst) to add at the end of the motion the following words:

and also urges the government of Saskatchewan to give consideration to extending the operations of The Workmen's Compensation (Accident Fund) Act so as to make its benefits available to farm labourers and also to give consideration to providing in many centres in the province, vocational and technical courses in farming operations.

With the agreement of the assembly I reserved my decision on whether this amendment is in order.

The object of Motion No. 7 is stated to be "to overcome the difficulties of farmers in obtaining farm labour". To achieve this object the motion urges the extension of unemployment insurance benefits to farmers. The amendment proposes that the benefits of The Workmen's Compensation (Accident Fund) should be made available to farm labourers and that vocational and technical courses in farming operations should be provided. The amendment thus seeks to modify the motion by adding words to it. The proposals set out in the amendment seem to me to be related to the object of the motion which I have quoted, and so to comply with the rule stated in Erskine May (17 Edition, page 417) that:

Every amendment must be relevant to the question on which the amendment is proposed.

The amendment is directed to the government of Saskatchewan, whereas the motion is directed to the government of Canada. I have found earlier examples in the journals of motions and amendments directed to both jurisdictions; and while this practice has certain inconveniences, I do not feel able to rule the amendment out of order on that account.

Accordingly, I find the amendment in order.

The debate continues on the amendment.

Hon. D. McFarlane (Minister of Municipal Affairs): — I don't want to take too much of the time of the house on this motion that I notice is dealing with unemployment insurance for farm laborers and I imagine the intent of the motion is to try and help recruit more labor by the farmers. I think there has been quite a trend over the years, away from farm employment and the possibility of having unemployment insurance for farm workers may certainly to some degree alleviate the situation.

Let me go back to the census of 1961. Some of the figures are most interesting, because at that time a census was taken of the farm employment picture in the province. Figures at that time indicate that at least 3,126 farmers hired one worker per year, on a year round basis. Another 307 would hire two workers and so far on to about five workers or more per year. The number of farms in the province at that time reporting farm labor amounted to about 44,262 farms so this would indicate that at that time and certainly at the present time, there was and is a strong demand for farm labor. Now, over the years the matter of unemployment insurance

for farm help has certainly come before the federal authorities at Ottawa. I was very pleased not too long ago to learn that the federal government at the present session is thinking in terms of bringing in unemployment insurance for farm workers.

The highly mechanized grain farms in Saskatchewan, yes, in all the prairies, are certainly presented with quite a problem in order to attain help, but one of the industries that suffers most severely, of course, in the province is the dairy industry. Something has to be done in order to get help to preserve the dairy industry in the province at the present time. Because of this, we had the opportunity last week to send a representative from the Department of Agriculture down to Ottawa to attend the Labor Manpower Conference. Some of the instructions we gave our delegate to that convention was to ask that all things possible be done to try and get help for our dairy farmers here in Saskatchewan. One of the things that he suggested besides unemployment insurance for farm help was to try and go in to some of the countries in Europe where we have young people, young married people specialized in dairy industry and see if we couldn't recruit some of these types of people to Saskatchewan. When this suggestion was presented to the conference it was well received and it is my understanding now that the authorities will in the immediate future go into such countries as Switzerland, Denmark, Germany and Holland and try and recruit some of these young people to come out to Saskatchewan and other provinces of Canada to help in the specialized dairying industry.

In the province of Ontario they are more concerned at the moment with help for tobacco growers; and the, of course, they are recruiting their help from other countries. But at the present time, this would be our most pressing problem here in this province. The first thing we have to do is recruit the help; and I am sure that the unemployment insurance will help alleviate the situation.

Further to that the National Employment Service now has set up 12 temporary offices in Saskatchewan, one at each of the following places: Whitewood, Fort Qu'Appelle, Davidson, Kamsack, Kelvington, Humboldt, Tisdale, Melfort, Nipawin, Macklin, Unity and Meadow Lake. The idea in setting up these temporary employment offices is to try and recruit and place the farm laborers on some of the farms in the immediate areas.

Another suggestion we made at the Manpower Conference was to go a little further than this, not only to try and find farm help and place this farm help, but to broaden it out and include all types of laborers.

So, Mr. Speaker, with those few remarks, I just want to express the concern of the people on this side of the house in the problem of getting farm labor and to endorse the resolution whereby we feel as is being done in the federal house at the present time that unemployment insurance for farm laborers would in some measure help alleviate the situation. By virtue of the actions that I have just mentioned, a few minutes ago, we feel that the combining of these two policies should help to alleviate the labor situation in Saskatchewan and on the prairies in the days ahead.

The question being put on the amendment it was agreed to.

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

MOTION RE TELEVISION OUTLET IN SASKATCHEWAN

The assembly resumed the adjourned debate on the proposed motion moved by Mr. W. S. Lloyd (Leader of the Opposition):

That this assembly:

- (1) Notes with concern that Saskatchewan continues to be the only Canadian province west of New Brunswick which is not served by at least one CBC-owned and operated television station.
- (2) Urges the government of Canada and the Board of Broadcast Governors to authorize the CBC to proceed immediately with construction of a television outlet in Saskatchewan.

Mr. D. G. MacLennan (Last Mountain): — Mr. Speaker, in speaking on the resolution, I have a few comments.

Television has developed into a very major part of our way of life. It has some shortcomings but the advantages of this medium far outweighs them. Television is providing a greater understanding of the problems facing world society than ever before. People are more conscious and more concerned about current events than at any time in our history. People living away from large urban areas now have the opportunity to watch major happenings, such as sporting events, cultural events and news events. Television is of great and real value to our people and its benefits should be enjoyed by all people.

There are however, some areas in Saskatchewan where people do not enjoy any television reception whatsoever. It is, therefore, desirable to have greater extension of this media. This can be done by the establishment of more satellite stations or by the establishment of more originating stations. Most areas of Saskatchewan only enjoy the opportunity of watching one station or one channel. It is also desirable to give a choice of channels to as many people as possible. Most people in Saskatchewan and not necessarily by choice, are watching CBC affiliated stations, stations that carry all major CBC programs dealing with current events, sporting events and cultural programs. This resolution is asking the legislature to urge the government of Canada and the Board of Broadcasting Governors to take certain action in favor of a certain corporation, that corporation being the CBC. The BBG is an independent quasi-judicial body and in the Fowler Commission it has been recommended greater independence for the BBG. I feel that it is improper to pressure this board to give preference to any group or corporation in the matter of an application before it. The resolution proposed by the Leader of the Opposition (Mr. Lloyd) in fact requests that political pressure be brought to bear on the BBG. In the light of these few remarks, Mr. Speaker, I propose an amendment. I beg leave of the assembly to move, seconded by the member for Cannington (Mr. Weatherald) that Resolution No. 16 be amended as follows:

That all the words in the motion after the word “concern” in line two be deleted and the following words added:

“that many areas of Saskatchewan continue to be served by only one TV channel and urges the Board of Broadcast Governors to award additional franchises in those areas where applications are pending for alternate channels and that careful consideration be given to the location of

satellite stations so that the interests of those areas which have insufficient populations to warrant originating stations would be best served.

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, if I may say a few words about the proposed amendment which I think if passed successfully defeats the main purpose of the original resolution. The mover of the amendment has referred briefly to the resolution which was before us prior to him moving his amendment. I want for the purpose of starting my remarks, Mr. Speaker, in refreshing the memory of the legislature, to read that resolution. It was:

That this assembly notes with concern that Saskatchewan continues to be the only Canadian province west of New Brunswick which is not served by at least one CBC-owned and operated television station.

That section of the amendment is, of course, Mr. Speaker, central to the whole idea. We are the only province west of New Brunswick which is not served by at least one station which is owned, operated, responsible through parliament, by the people of Canada, through the Canadian Broadcasting Corporation. As a result of this the resolution urged the government of Canada and also the Board of Broadcast Governors to authorize the CGC to proceed immediately with construction of a television outlet in Saskatchewan.

The member who has just taken his seat in some fashion or other construed this to be political pressure on the BBG. Such I submit, is not the case. It was an attempt to canvass the opinions of the members of this legislature and if it were passed then certainly it would represent the members of this legislature. To the extent that we can claim, as we can I think, to represent all of the people of Saskatchewan, it represents the opinion of all of the people of Saskatchewan. This, I submit, in no way should be construed as political pressure or an attempt at political pressure.

I was unable to follow his statement with respect to the Fowler Commission. May I just say that this is not my reading of the Fowler Commission although I will confess not to have studied it in any particular detail. It was somewhat significant I think that the member did not try to bolster his statement with any particular evidence or quotation from the Fowler Commission.

Now, turning to the amendment, it does of course, as I indicated earlier, miss the simple point of my argument. That point as members may recall from what I said the other evening, was that there are a number of ways in which the people of a country like Canada can and do seek to establish that difficult thing called the national identity. There are a number of ways in which a people in a country like Canada do attempt to establish communication with each other. Many of these cannot be left just to the chance developments of private enterprise. We have always considered that the Canadian Broadcasting Corporation was one of the institutions which is a peculiar, particular and valuable way served the interests of Canadian unity, served best the opportunities for people in various parts of Canada to understand people in other parts of Canada, as people must understand if we are to act with the conscience and the purpose of one people. I do not think that this can be adequately done by any association of

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private stations no matter how good they may be. I think the Canadian Broadcasting Corporation has purposes and possibilities which private stations cannot serve.

I think one of the other points which I mentioned in my argument is this. We the people of Canada do spend a considerable amount of money on this public broadcasting system of ours. One of the purposes that we spend this money is that we realize there are opportunities here for the people of Canada. We do this realizing that there are opportunities which privately owned stations cannot properly be expected to provide. I referred in my original discussion to what could happen beneficial to the people of Saskatchewan with a Canadian Broadcasting Corporation production station, established here in the province of Saskatchewan. It would give encouragement to our people in the whole field of the arts, the creative arts, the dramatic arts, call them what you will. And this, of course, is not touched at all in the amendment. As a matter of fact, the amendment almost studiously ignores this part of the possibility which is present were the main resolution acted on. That I think is the second main weakness of the amendment.

Not only does it ignore the fact that through the Canadian Broadcasting Corporation we can build something more securely in the shape and form of future Canada, it ignores also the fact that a production studio here, which is not mentioned in the amendment, could encourage the creative development of many of our people. It could give a market for a number of symphony orchestras, dramatic groups, and activities of this kind. The amendment does nothing whatsoever to provide this kind of opportunity and for that as a second reason I think it should be defeated.

I want just briefly also, Mr. Speaker, to make reference to the feelings of a rather substantial group of Canadian citizens who are banded together in what is known as the Canadian Broadcasting League. I read from a statement which they made on February 23 of this year before the Board of Broadcast Governors at a public hearing in Ottawa. It is a statement which for the information of the members is carried in a recent issue of Co-op Commentary, volume 20, March 10, 1966. They speak out in favor of public broadcasting and the extension of the responsibilities of public broadcasting which I submit, is what the resolution is doing. This brief says among other things, this:

We speak for a number of organizations that represent a large cross-section of Canadian society, for example, the Canadian Federation of Agriculture, the Canadian Labor Congress, the Co-operative Union of Canada, Federated Women's Institutes of Canada, Saskatchewan Wheat Pool, Canadian Association of Consumers, Catholic Women's League, Co-operative Insurance Services, and a number of others.

And they add:

These represent a lot of Canadians.

And so they do.

Mr. Speaker, the motion which I put before this house is in tune with those objectives which this group has stated. The amendment which the hon. member, who took his seat just now, put before us, is not in tune with the hopes and aspirations of that group, who as they say represent a large number of Canadians. I want in particular to read one section of their recommendation and that is

this. It relates to the point I was making earlier:

We want the CBC to fill a central, national and predominant role and we don't want to see anything done that might erode the effectiveness or lessen the coverage and influence of the CBC.

Mr. Speaker, the resolution which I moved some time ago in this house does support these objectives, does support the idea of the Canadian Broadcasting Corporation filling a central, national predominant role. It does improve the effectiveness and extend the coverage of influence of the CBC as such. I submit that the original motion was in tune and in sympathy with the aspirations of a great many people in every part of Canada. In particular, it is in tune with the aspirations and the needs of many people and groups of people and institutions in the province of Saskatchewan. For those reasons, Mr. Speaker, I must urge the house to vote against the amendment and to support the original motion.

Mr. A. M. Nicholson (Saskatoon City): — Mr. Speaker, in view of the fact that the resolution moved by the Leader of the Opposition (Mr. Lloyd) has been before the legislature for some weeks now and this amendment has just been moved, I haven't had a chance to see it as yet. I think that my leader has made an exceptionally good case which has won general support throughout the province. I would think it would be a great pity if this legislature should reject the idea that Saskatchewan should continue to be the only province west of New Brunswick which is not served by at least one CBC-owned and operated television station and Mr. Speaker, I would like to have a chance to look at the amendment. Consequently, I beg leave of the assembly to move the adjournment of this debate.

Debate adjourned.

MOTION RE SHORTAGE OF BOXCARS, ETC. AND GUARANTEE OF PRICES FOR FARM PRODUCTS

The assembly resumed the adjourned debate on the proposed resolution moved by Mr. L. M. Larson (Pelly):

That this assembly, believing the precarious economic condition of agriculture demands immediate action, urges the federal government to take immediate steps to:

- (1) ensure Canadian railways make available immediately enough boxcars, locomotives and other equipment to transport Saskatchewan grain to terminal elevators to meet Canada's export commitments; and
- (2) guarantee adequate minimum prices for all major farm products now;

and the proposed amendment moved thereto by Mr. Gallagher:

That all the words after (2) be deleted and the following words added:

“and continues an aggressive sales policy thereby assuring farmers a ready market and adequate returns for export wheat.”

Mr. I. C. Nollet (Cutknife): — Mr. Speaker, when I adjourned the debate on the amendment proffered by the member for Yorkton (Mr. Gallagher). I did so to

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obtain some additional factual information which I hoped would convince the hon. member for Yorkton and hon. members opposite that the amendment is no solution whatever to the problems facing the agricultural industry, that in fact it is a complete turnabout in generally accepted policy, even accepted during or previous to election, by both of the old parties.

The substance of the amendment, Mr. Speaker, and the arguments presented in favor of it are (1) that we do not need to guarantee farm prices, that the emphasis be on export sales only, and also (2) that farm prices will be buoyed up by welfare measures and other devices that will thus generate sufficient farm income to maintain farm prices. I argued the other day and I argue again, that this is a completely invalid premise. Not only have farm prices not gone up in recent years, but farm prices have in fact gone down. As is well recorded between January 22nd and January 29th the price of wheat basis No. 1 Vancouver dropped 11 7/8 cents a bushel. Number 3 had dropped 18 7/8 cents a bushel and No. 4 over 20 cents a bushel. This was during a period when we had some of the largest wheat sales and agreements for sales of grain that we have ever had in the history of our country. Similar prices at Fort William showed a drop in this same period of time, in one week's time, No. 3, 15 7/8 cents and No. 4, 17 7/8 cents. Up to the present time the Wheat Pool and other farm organizations are extremely alarmed at the prospects of further drops in grain prices.

Mr. Speaker, it is getting pretty close to quitting time. Could I call it 5:30 o'clock, I have quite a bit to say on this.

The assembly recessed at 5:30 until 7:30 p.m.

Mr. Nollet: — Mr. Speaker, when I was so rudely interrupted by the clock at 5:25, I was saying or pointing out to the hon. member who moved the amendment to what I thought was a fairly good resolution that there was no possibility of any price stability on the basis of an amendment that proposed to deal with major farm problems by emphasizing exporting agriculture commodities only. In pursuance of that argument I mentioned, Mr. Speaker, that the huge wheat sales were pretty good proof that farm prices would not be buoyed up because of sales of agricultural products abroad and I mentioned that prices of wheat as we all know a year ago in one week's time dropped as much as 20 cents a bushel. So this is clear-cut evidence that there is no solution to the price situation insofar as exporting agriculture commodities are concerned. I also mentioned I think that the Wheat Pool has a continuing worry regarding the possibilities of further price declines particularly in wheat. As you all know the president of the Wheat Pool has gone to the United States to attend a conference there, where again he urged that there be no reduction in the price of wheat. May I make this point, Mr. Speaker, it is not guaranteed or fixed farm prices that need alarm us at all. It's not surpluses that need alarm us either. It is the possibility of low prices that causes problems. And anything that is done in the agricultural industry that will adversely affect farm prices is not only bad for the whole industry but it's bad for the entire economy, Mr. Speaker. I mentioned too, I believe, that as a result of those price declines that took place a year ago the farmers of Saskatchewan lost some \$72,000,000 of income. This is not a thing that can be sneezed at; it's a lot of money.

In his amendment the hon. member for Yorkton (Mr. Gallagher) makes no mention of guaranteed prices fixed in relationship to farm costs,

but in fact the amendment repudiates this principle entirely. What does this mean, Mr. Speaker? Does it mean that the Liberal party have completely abandoned any pretense of price supports for farm products? This is a most interesting revelation. This is a position that cannot be supported on the basis of facts because according to the Dominion Bureau of Statistics' figures regarding Cost Price Index, figures using the base period 1935 to 1939 equalling 100 points for the period 1951 to 1964 inclusive, farm prices show a drop of 44.7 points while on the other hand the costs of goods and services required by farmers went up 66 points, and the end, Mr. Speaker, is not yet in sight. It is this fact which resulted in the liquidation of some 50,000 farmsteads in Saskatchewan. May I suggest that no amount of ARDA assistance or miniature phoney wars on rural poverty can possibly reverse this trend. There are no substitutes for economic justice. The only method by which this trend can be reversed is by the adoption of a comprehensive marketing and farm income policy for Canadian agriculture which will provide firm guaranteed farm income based on family farm needs. This is my contention, Mr. Speaker. We have available to us the total cost of the agricultural industry in Canada as an industry as a whole. It is quite obvious and logical that this industry will require price-wise sufficient income to meet its total cost, including wages, depreciation on buildings and taxes, etc. and what have you. That much income must be available to the industry if it is to be self-sustaining. And may I suggest that this industry has never been in the post-war period self-sustaining in this regard as I will endeavor to prove.

First of all, a few words about some of the principles that ought to be incorporated in a comprehensive farm marketing and income policy for Canadian agriculture. This may seem to be radical to some people but it makes sense and to me it is pure logic that such a policy must of necessity provide sufficient in prices to the industry as a whole for all farm commodities, enough income so that it is placed on a self-sustaining basis, so that we will not have to be crying for handouts in terms of acreage payments and so that we will not have to talk about this or that particular aspect of the industry but a policy that will treat all of the problems associated with the industry. And may I suggest that this problem sums itself up into one word, and that's sufficient income. Now, we know that farmers are self-employed, they do not work for wages, they do not work for salary, they are not paid by the hour, by the day or by the month. Their income is measured therefore, through the price mechanism so that if we are to achieve income we must utilize the price mechanism. It is only a mechanism to achieve the objective of guaranteeing to our farmers sufficient income so that they will be placed in a self-liquidating position. Such a policy must of necessity when considering prices for cereal grains, for example, take into consideration long-term average yields. You cannot base prices on anything but long-term average yields. Having arrived at a price, then pay the farmers not only that price for wheat but comparative prices for livestock, dairy and poultry products. Having done that then very substantial deductions must be made from the value of marketings, not of one per cent as we have under PFPA, which does little or no good to anyone, but sufficient money to take care of crop failure years and all factors beyond the farmer's control that bear on his ability to earn an income as a result of farming.

We would, in other words, incorporate in this plan a guaranteed similar minimum income based on family needs for the larger farmer, so that all would have the security of income as determined on the basis of family needs. This is desirable if we

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in fact accept that the family farm is worth keeping. I can see no other way of keeping our family farm and reversing the existing trends to larger and larger farm units, as a matter of fact to factory farms. This is inevitable if present trends continue and I believe that the industry has now reached the crisis stage. Not only is the industry itself up against a blank wall but local governments and local communities are depending on their survival for sufficient income being generated within these communities to keep them alive. So we have much more than a simple purpose of guaranteeing farm incomes, we have also the objective of maintaining our rural communities at a high standard of living and of providing more employment opportunities on the land rather than less. I believe, that by the adoption of this kind of policy we can reverse the present trend in the direction of having more and more people gainfully employed in our land. It is not good enough to say that the present trends are induced by greater efficiency and production. This is not true at all. This trend has been created because of adverse economic conditions and nothing else and the pressures on farmers to expand their holdings to larger and larger units results from an adverse price situation which unhappily has created a tremendous demand for land on the part of the more fortunate farmers which has escalated land values to the point where they are now beyond, in a strict sense, the economics of agriculture itself, and something must be done.

I have been very brief in trying to outline a plan. I could keep the members here probably for two hours if I were to go into any great detail as to what I believe is a suitable agriculture policy. But the factors are we must use the price technique, we must make substantial deductions for an income stabilization fund to make this industry self-sustaining. Then, Mr. Speaker, if subsidies are required let them be named for what they are and properly should be, consumer subsidies and not meagre handouts to the agricultural industry. If subsidization is necessary a little later on I'm going to point to many precedents in regard to subsidies to other industries. Well, in support of my contention for the need of such a policy I am going to refer briefly to some figures; I have quoted them, I believe, before in the house. I have in my hand here a press clipping taken from the Leader Post marked February 5th, 1965, and another one for 1966, both of them speak glowingly about improved farm prices, but they only tell half the story, Mr. Speaker, as I will demonstrate. This one, dated February 5th, 1965, says:

Canada's index for farm prices rose 2.3 points in December to 243.1 points, from 240.8 in November, 1964.

That's just these two months and then it says:

The Bureau of Statistics says Thursday . . .

It goes on,

The increase was attributed in most part to higher prices for livestock and potatoes for the index based on the 1935-39 prices equalling 100 was 244.2 in December 1963.

This was in kind of small print. They talk about farm prices going up in the headlines but in fact in December, 1964 farm prices were below those in December, 1963. One of the revealing things, Mr. Speaker, in these figures was this; Saskatchewan was at the bottom of the list in terms of point increases in farm prices. For example, Manitoba's index for 1964 was 223.4 points, Saskatchewan, 201.8 points.

Similar figures almost identical in relationship were revealed in the press item appearing in the Leader Post, February 26th, 1966, and again they said, and the headline read "Prices up 12½ per cent". This makes everybody feel good. People in cities and towns are saying to themselves, why should these farmers be so demanding; why are they always complaining about farm income when their prices are going up. But again they did not tell the other side of the story which I am going to do in a moment. May I suggest to the gentlemen of the press that they in turn talk to their editors and ask them to put the true facts in the paper. If they are going to talk about increased farm prices, let them also include the index increase in farm costs as well. This article says the index of farm prices based again on 1935-39 prices equalling 100 stood at 274.7 in December, 1965, up 30.7 points from 244 in December, 1964, saying prices of nearly all farm products rose during that year but nothing about farm costs at all. But again, where did Saskatchewan stand in relationship to other provinces? For example, in little Prince Edward Island the points there were 319 for farm prices, Saskatchewan and indeed the three western provinces were the lowest, but Saskatchewan was the lowest of all. Saskatchewan was 211.4 points for December, 1965, the lowest of any province in Canada. This is indeed cause for concern, Mr. Speaker.

Mr. B. D. Gallagher (Yorkton): — CCF government . . .

Mr. Nollet: — Mr. Speaker, this has to do may I suggest, with the policies or the lack of policies not pursued by alternative Liberal and Conservative governments at Ottawa despite the glowing promises that they made during election campaigns. In the light of those promises I am amazed, indeed I am more than amazed. I am filled with wonderment that the hon. members on the government side, Mr. Speaker, abandon and repudiate the simple promises made during election campaigns that have never been fulfilled but now they repudiate the promises made completely.

Now, let's take a look at farm costs, Mr. Speaker, in relationship to the so-called wonderful price increases. The farm costs figures for Canada as at August, 1965, for goods and services required by farmers stood at 326 points, up from 100 points in the period 1935-39. What about farm prices? Farm prices for all of Canada were only 274 points, that is farm prices were 52 points below farm cost increases over this same period of time, Mr. Speaker. I wish to elaborate on this by going to other figures. Here again are price indexes and farm cost indexes for the period 1949 to 1963. These indexes for farm costs are for goods and services used by farmers. In 1949 they stood at 191 points, by 1963 they stood at 273 points and as I mentioned to you, Mr. Speaker, at the present time they are 326 points. Let's take a look at what this has done to the number of farm operators in Canada. In 1949 the number of farm operators in Canada was 663,000, by 1963 it had dropped to 400,000. This is a loss of 262,000 farmers for all of Canada, and as I mentioned before some 50,000 of this loss came from the province of Saskatchewan.

Let's look at it another way, in terms of realized net farm income. This is the farmer's take-home pay. In 1949, for Canada the agricultural income in current dollars was \$1,513. In 1963, in current dollars it dropped to \$1,410. I am sorry, Mr. Speaker, this is not individual farm income. This is total current dollars to the entire agricultural industry of Canada. Instead, in 1949, the total realized net farm income to the farmers of Canada was \$1,513,000,000; by 1963, it had dropped to \$1,400,000,000. In

terms of income averages for individual farm operators in 1949 the average farm operator in Canada received some \$2,280; in 1963 this went up to \$3,519 but we had 263 farmers less amongst whom the reduced income would be divided. But, this is in current dollars. In terms of 1949 dollars, farm operator income in the year 1949 was \$2,283; but in 1963, in 1949 dollars this per operator income dropped to \$2,462 so that in terms of purchasing power and despite the fact that there were 263,000 farmers less who could share in the realized total net income for the industry, they were receiving less income than they were previously. These are pretty substantial figures, Mr. Speaker, and they can't be disputed. It has often been said that you can do almost anything with figures, and you can tell most any kind of a story; but I would defy anyone to use these figures in any manner that would conclusively prove that farm income was going up and that we need no more guaranteed prices for farmers, that all we need to do is sell much more grain abroad and other farm commodities as well, and all will be well, Mr. Speaker.

If consumer subsidies, Mr. Speaker, are required there is ample evidence of precedents for subsidies to the huge so-called free enterprise business organizations. Governments are very ready to help them. We have a good demonstration of this in our own province and many other provinces as well where it is difficult to establish industries. We have, for example, Mr. Speaker, to list a few, tariff protection which the consumers of Canada have been made to pay to establish industries in eastern Canada. We all know this story so well. It has been said at different times by farm organizations that the people of western Canada had contributed over \$1,000,000,000 a year by paying more for goods because of tariff protection. May I suggest here too that this is no solution to the matter of farm income and certainly is no solution to the tax problems that we hear so much about. Mr. Speaker, more recently more subsidies were paid to the giant automobile industry. Of course, Mr. Speaker, it is most apropos to mention in connection with this resolution, the original land grants to the CPR of 44,000,000 acres of land plus cash subsidies of \$106,000,000, and more recently freight subsidies so that these railroads could perform efficiently their intended purpose of serving the economy of Canada, which apparently they are falling down on very badly. These are clear evidences of subsidies.

One could go on and on and on and mention subsidies to many other industries. May I suggest, Mr. Speaker, that it is high time that the farmer is not recognized any more as being just a little individual enterpriser who needs no help at all. On the other hand, the huge corporations that we like to call free enterprise are not free enterprise at all. They are recipients of a welfare state designed for them. But the same apparently doesn't apply for agriculture. I am suggesting, Mr. Speaker, even though subsidies are involved, indeed consumer subsidies that they would be beneficial to the economy of Canada. The business that would be generated and the additional revenue that would be available to the national treasury would make it practical and economically feasible for a national government to guarantee farm prices so that farmers could enjoy the same sense of security and the same amenities of life as other people do; so that our young people could begin farming with the assurance that their income will be guaranteed at a social level and at an economic level as well; so that they could plan accordingly and have some assurance that they would be able to pay for their land and pay for their machinery and its operation. These are all legitimate proposals.

May I point out that the farmer's costs are set, fixed and

mostly escalate upward while farm prices remain unfixed and escalate only downward with some rare interruption like when, Mr. Speaker, we run out of pigs, and we run out of eggs. Then the law of supply and demand takes over and prices go up for a little while and quite a few more are suckered into producing these commodities again in great abundance in the expectation that they are going to be rewarded only to find the prices collapse once more, Mr. Speaker. We have seen this over and over. Politicians then get up when this occurs and endeavor to take credit for price increase which is pure undisguised nonsense. I think that we should be a little bit more honest with the people that we represent and not run around telling them these fairy tales. Then farm prices must also be maintained in proper relationship to farm costs.

Now, Mr. Speaker, what about the promises that have been made? May I remind not only the hon. member for Yorkton (Mr. Gallagher) but the rest of the hon. members that in your amendment you have completely repudiated the following. Instead of doing what you did, what you should have done was support the resolution in this house calling on the federal government whether it is Liberal or Conservative to fulfil its election promise.

Mr. Gallagher: — The people voted against that.

Mr. Nollet: — The hon. member for Yorkton tried to weasel out of this same proposal one year ago in this house when a resolution of an emergency of a similar nature was introduced and tried to doctor it up. Why do you do this? There is no political hay in that. Do you do it just to be obstinate? Surely you know better than that. You must know better than that.

Let's look at some of these Liberal promises. It has been characteristic of the Liberal party that they have been very liberal in their promises while out of office. No better example can be found than their promises to western Canadian farmers prior to the 1962 and 1963 federal elections. In 1962, the National Liberal Federation of Canada issued a pamphlet entitled "A Square Deal for Farmers". Some of the statements made in this pamphlet include . . . The hon. member applauds. He must think it's funny. He must think it's funny to fool people. Well, it would be awfully funny if you ever fulfilled your commitments to the farmers. That would be funny. That would be something to talk about, my friend. I don't think my friend knows anything about farming. He is listed as a politician. A politician he is and I think a politician he will always remain.

Then it goes on, "A square deal for farmers" and some of the statements made in this pamphlet include the following:

The Liberal party will therefore take vigorous action to enable Canadian farmers to raise their incomes.

Raise them. They have been going down ever since. Then they go on, did you ever hear anything like this?

Flexible price supports with the government providing adequate deficiency payments where appropriate are essential to a prosperous agriculture.

Where are they? It's in a mess. You people and the Conservatives recognize this fact in your so-called phoney war on poverty. As I said before, there is no substitute for economic justice. Then

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this Liberal pamphlet goes on referring to the Conservatives, the pot likes to call the kettle black, Mr. Speaker.

The present Tory government provides some assistance to grain growers by haphazard acreage payments which may be made or not according to political consideration. A new Liberal government . . .

A new one, mind you. They call themselves new but they are just as old-fashioned as the oxcart, Mr. Speaker.

The present Tory government provides some assistance . . . depending on political consideration.

Then it says:

A new Liberal government will provide the security of deficiency payments on grains related to costs of production on sound permanent principles.

Where are your sound permanent principles? You've run away from them on every occasion and I say to you, you are running away from them now. Then it goes on, Mr. Speaker.

Davey, if you stood up it wouldn't glance over your head.

An Hon. Member: — You sound more like Thatcher than he does.

Mr. Nollet: — Then it goes on:

The return to the farmer from wheat sold in Canada for human consumption will be increased. The increase will be related to costs of production and will be treated as a consumer subsidy.

Where is it? How long have they been in? Four years, nothing done. For how many years before that, nothing done. Not 20 months but years. We've had years and years of alternative Conservative and Liberal governments in Ottawa . . .

Hon. D. G. Steuart (Minister of Health): — Liberals made this the greatest country in the world, Toby.

Mr. Nollet: — If they stay there much longer, Mr. Speaker, there won't be any farmers left. Corporations will have all the land.

Then it says in summary entitled "What a Liberal government will do". The following points were included:

Provide deficiency payments for grains by a consumer subsidy and improve the return to farmers on wheat consumed by Canadians.

Mr. Steuart: — Which elections?

Mr. Nollet: — Yes, which ones. 1962, 1963. They are all the same.

Mr. Speaker, as long as I can remember when I first joined the farm movement, this same old story was going on, year after

year. Then the following year a pamphlet was issued. They wanted to make it firm. This catches votes.

The policies of the Liberal government general election, 1963.

Mark it down, Davey. One section of this pamphlet was headed, on page 19, "A square deal on the farm". The following statement is found under this section:

A new Liberal government . . .

Again. They are always new. They always turn out to be the same old Liberal government after they are elected.

A new Liberal government will maintain a minimum price for wheat of \$2.00 a bushel for No. 1 Northern at the Lakehead, on all sales made under the current international wheat agreement and on all domestic sales. If the \$2.00 price is above the world level, the deficiency payment to farmers in respect of domestic sales of wheat, will be treated as a consumer subsidy.

Mr. Steuart: — Isn't wheat \$2.00 now?

Mr. Nollet: — No, it isn't. And everyone of these sales was made below that. We didn't lose \$72,000,000 last year on these huge wheat sales because they were \$2.00 a bushel. It was because they were less than \$2.00 a bushel. That's why.

The, Mr. Speaker, statements by Liberal Leader Pearson, here is a man of action, the sixty day decision man. Here is the Leader, Mr. Speaker, and it is said we are all proud of him. He can take initiative once in a while when he gets crowded by old John, when John crowds him into a corner after telling them how iniquitous and how terrible they were, how slanderous and all the rest of it. Then he has an inquiry made into the Spencer case and a few more. But he has got his hands full now with Gerda. That's getting even with the Tories. That will fix . . . I'm sorry, Mr. Speaker, now . . .

An Hon. Member: — He's got enough to handle her.

Mr. Nollet: — Statements by Liberal Leader Pearson during the 1963 election campaign indicate some confusion over exactly what was going to be done and how it was to be carried out. The following, Mr. Speaker, is an excerpt from a report in the Leader Post, Thursday, March 7, 1963, of a meeting addressed by Mr. Pearson in Saskatoon. I remember that one. I think he went out to Langham and he sat in a farmer's truck at an elevator. Then they had his picture reproduced in the Star Phoenix. Here was the champion of the western farmers. He was a real down-to-earth farmer, wasn't he? Sitting in the truck at an elevator, of course, Mr. Pearson understood our problems. And it says this:

Saskatoon CP

Liberal Leader Pearson said Wednesday night, "his party if elected will adopt farm and consumer subsidy policies for wheat growers that will recognize their cost-price squeeze".

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Well, we've recognized that for a long time.

As a government we will legislate for a two-price system for wheat on the basis of unit quota.

Then he went on and he said some more:

Farmers will be paid a price for wheat used in domestic consumption which reflects the fact they buy their production requirements in tariff-protected markets and sell in world markets.

What I was saying a moment ago, confirmed by Mr. Pearson. But the other sentence is most interesting.

This policy will be accompanied by a consumer subsidy so that there will be no rise in the price of bread.

How much did bread go up recently? Yes, two cents. Going up constantly. Up it goes.

Then, Mr. Speaker, on the other hand we've got a . . .

Mr. Steuart: — Toby, you've got us convinced.

Mr. Nollet: — We've got a statement from our newly appointed Senator, the champion of western farmers. On the other hand, Hazen Argue, at that time federal Liberal spokesman on agricultural matters, left little doubt about where he stood on wheat problems. He is quoted in the March 30th, 1963, issue of the Leader Post as telling a meeting at Wishart:

The Liberal party guarantees \$2.00 a bushel for wheat and a two-price policy for domestic and export sales.

But the farmers of Saskatchewan didn't believe the Liberals. They didn't send a single one down to Ottawa. They didn't send a single one this time so they had to appoint some Senators, Mr. Speaker, to represent and speak for the farmers of Saskatchewan.

Mr. Steuart: — How many NDPs did they send?

Mr. Nollet: — I think I have said enough to indicate the commitments made by your party which you are now repudiating by your amendment to this resolution. I ask you in this house to stand up like men and vote your own amendment down and vote for the original motion. There is no other honorable and sensible way to get out of the jam you find yourselves in. I'm going to have enough to say about your action on the platform, Mr. Speaker, throughout this province in the time still available.

Now, Mr. Speaker, as I stated, we have a war, a so-called war on poverty. This is self-evident that things aren't right in our economy. A great deal of this poverty prevailed in rural areas. I want to say to you, that it is not the intended purpose of ARDA to improve farm income in my book, with the exception of certain programs we were able to have included in ARDA in this province. All the rest of it is a means and a technique of getting still more farmers off the land. As I said, these phoney wars on poverty are no solution to the basic farm problems. There is no alternative or no suitable alternative, or no practical alternative to economic justice. Mr. Speaker, it is many, many years

now that I have been pleading for economic justice for our farm people and I want to say to you that I wouldn't be in this house, I wouldn't be in politics or public life at all had it not been for that particular driving force, Mr. Speaker. This has been with me for many, many years. I never could for the life of me understand why people through honest labor could not make a good living. And I consider farming to be about the most honest and most reliable occupation there is.

I can recall, Mr. Speaker, many years ago when I went to my first farm meeting as a very young boy. I remember the speaker that evening holding forth, and he said, "It's a funny thing, isn't it, that the farmer always has to say, 'How much'? When he goes to sell something, 'How much will you give me?' When he goes to buy something, 'How much are you asking for it?' Well, the asking-for price has been going up and since that day many, many years ago, just after the turn of the century, Mr. Speaker, . . .

Mr. Steuart: — Which century?

Mr. Nollet: — I'm a lot younger mentally and in philosophy than the hon. member from Prince Albert (Mr. Steuart). He may be younger in years, but certainly, Mr. Speaker, and I believe, and I am certain that if I live to be ten times the age of Methuselah and waiting for the Liberal party, this problem would never be solved in that time, Mr. Speaker.

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — Now, I've heard it said in this house that we can in no way interfere with the established economic system as we know it. I am saying that we can find no solution within the doctrinaire concept of what is termed a strictly private enterprise economy, one that puts profits before everything else, on that is stimulated and driven by virtue of its greed for more and more profit. May I suggest that these profits, in the case of agriculture, come out of the farmer. All of the facts that I have endeavored to present to you prove this conclusively. We must make, of necessity, departures. When I say these things, Mr. Speaker, I departed long ago from being a doctrinaire private enterpriser, but my friends opposite would have us believe that we have still got private enterprise. We haven't. We have not. Witness the establishment of industries in this province, practically all of them, and in other provinces too, by generous subsidies but from the public purse. What's the matter with this giant private enterprise? Can't they stand on their own feet? Can't they, in essence, make it possible for industries to establish fairly without restrictions and restraints, without tariff protection and freight rates subsidies and everything else, in all parts of Canada? I am saying, Mr. Speaker, it has failed and failed dismally. This is admitted by our friends opposite when they talk about poverty in Canada. I heard someone from the other side get up and say, "Why Canada is the richest country under private enterprise in the whole world. There is no place in the world where people are better off". This may be true but it's not because of our genius. It's because we do have abundant resources. It's because we do have a relatively small population here. These are the reasons. But still, under these favorable conditions we have great areas of poverty throughout the land. And so, Mr. Speaker, there is one thing that private enterprise has never done and never will do even under the most favorable conditions. It will not eliminate poverty. And above all else it will not bring justice. Charity, yes.

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They like charity. Little measly handouts but that is not justice, Mr. Speaker. It's for that reason that I plead again for support for this original resolution which will at least bring some measure, some degree, of economic justice to the agricultural industry.

Some Hon. Members: — Hear, Hear!

Mr. T. H. Weatherald (Cannington): — Mr. Speaker, since coming to this assembly I have always enjoyed listening to the member for Cutknife (Mr. Nollet).

An Hon. Member: — Same old speech.

Mr. Weatherald: — I'm sure that he is one of the most entertaining here of all the members on either side of the house. I also find, Mr. Speaker, that I agree and feel that his heart is in the right place although I think that maybe some of his ideas aren't.

Mr. Nollet: — That figures.

Mr. Weatherald: — He has, Mr. Speaker, spoken and talked about a number of farm problems, some of which I agree with, particularly in regard to the fact that farm income is not high enough. I think this is generally accepted in regard to many farmers. I also agree and I'm sure that all members on this side of the house agree when he says that the family farm should be preserved. However, I think that there is, Mr. Speaker, a wide divergence of opinion on how these two will be rectified.

In the past few years, Mr. Speaker, it has become a common practice for the Socialist party in federal and provincial elections to put forward a resolution regarding guaranteeing of farm prices. It has appeared on practically all their farm programs. They have spoken in this assembly about it and in Ottawa, and yet, Mr. Speaker, I suggest that this is a program which has been well tried in many parts of the world and it has been one of the programs which have proved to be of the least worthy. I intend, in the next few moments, Mr. Speaker, to outline a number of cases where these programs have been tried and what an utter failure they have proved to be in regard to improving farm income and helping farmers, particularly small farmers. The idea, I suggest, Mr. Speaker, to improve farm income is a good one but with the way which the member who just spoke would bring this about, I cannot agree with.

For example, Mr. Speaker, a guaranteed system of prices above the cost of production cannot help but lead to three situations in our farm economy. The first is gross inefficiency in agriculture. We cannot help but have a number of resources employed in agriculture that should not be, because of the price of their products being priced too high. This would attract labor and attract resources to agriculture which should not be used in production of food.

The second, Mr. Speaker, is that it is a well known fact that in the United States a program of support price when placed above the cost of production has resulted in huge surpluses.

And thirdly, Mr. Speaker, I suggest that because of high artificial prices, consumers soon find themselves switching to other products instead of those which are being sold at a high price.

None of these, Mr. Speaker, do I suggest the farmer can afford and none of these, I suggest, can the country afford.

Mr. Nollet: — We heard that for 30 years too.

Mr. Weatherald: — The United States through a system of guaranteed price has built a monstrosity of surpluses and a drain on the treasury that even the farmers whom the program is to help, are now rebelling. Particularly in the case in the United States, the program of subsidizing and taking land out of production helps those who need help least. These very large farmers are the ones who have benefited. The small producers are the ones who have benefited least.

The program has also resulted, Mr. Speaker, in a great bureaucracy of regulations and controls, something which I am sure that all farmers together will say is a build-up of restrictions which no farmer wants. In this country a high set of guaranteed prices resulted, a short time ago, in huge surpluses of pork, dried milk and butter. The storage on these products due to spoilage and expense became so unbearable, Mr. Speaker, that due to a large extent the products were given away.

I look back into the records of Hansard and I found these statistics on pork on January 24, 1961. In answer to a question that was asked in the House of Commons the question read:

Since April 1, 1958, what quantity of pork has been canned or otherwise preserved by the Agricultural Stabilization Board?

The answer given by the hon. Alvin Hamilton, then Minister of Agriculture, was that the quantity of canned pork or preserved pork was approximately 122,000,000 pounds. This was in the period from May, 1959, to January 9, 1960, a period of less than one year. Of this amount, Mr. Speaker, approximately 48,000,000 pounds were sold and 38,000,000 pounds were given away. The board still had an inventory of 35,000,000 pounds. As of that time, the board also owned about 86,000,000 pounds worth of butter and butter oil. In March 3, 1966 edition, one of the most recent editions of the Family Herald, an article says:

Seven and a half years since inception and \$74,000,000 later, the Agricultural Stabilization Board is still trying to dispose of surplus pork. Only after the government switched to a system of deficiency payments were these surpluses reduced.

The government still held, as of January 9, 1960, 250,000,000 pounds of pork. At this time they switched to a system of deficiency payments. Three months later the Stabilization Board had disposed of nearly half of it. But soon after that the trouble began and the problem has not yet been solved. Today, Mr. Speaker, the Stabilization Board still holds approximately 1,000,000 pounds of pork.

Mr. Speaker, this is what the hon. member for Cutknife (Mr. Nollet) suggests that we do in this country when he says that we should guarantee a system of prices above the cost of production. Mr. Speaker, in advocating a system of prices such as this, which he has done, he is advocating a return to an impossible situation which has been well tried and well proved to be an utter failure.

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It is also ironical, Mr. Speaker, that the same member, in speaking for the family farm advocates a system which inevitably would lead to more and more investments of large amounts of capital for corporate farming. A guaranteed system of prices would make it possible for people who have large amounts of money to invest in corporations that would be engaged in agriculture. Therefore, because of the profit, the guaranteed profit, we would likely see an increased flow of money through corporations into farming.

I believe, Mr. Speaker, that we all share the common belief that this would be undesirable, that this is a situation which a guaranteed profit very likely could bring about. A valid example of this, Mr. Speaker, of course, could be in the meat production where chain stores could find it very profitable to produce their own beef rather than buying it at a higher price on the market.

This is a country which produces large amounts of food for export and because of this we will for many years be an exporter of agricultural goods. Today the export market is a very promising one but it is one which our federal treasury cannot possibly subsidize to any extent. The standard of living in most countries is gradually rising and there is full expectation that the farmers of this country can, if they are efficient, produce to sell in these markets. However, Mr. Speaker, it would be foolish for us to attempt to subsidize our exports with the size of a treasury we have in this country as compared to our agricultural production. It is quite true that some countries like the United States do this but I think it would be very poor finance, poor economics, for a country with the amount of funds to be spent by the Dominion government, to attempt to do so.

There is, however, I think, Mr. Speaker, a number of isolated cases in which a two-price system may well be instituted and I think there is a good case to be made for a two-price system for wheat. This is a product which hit a high point in 1919. It is a product which has not risen in price and I think it is one which Canadians could legitimately pay more for. I think that at the same time in asking for a two-price system that the two-price system should only be based on the number of milling bushels consumed in this country and on a basic number of bushels for each farmer. It is well worth noting that on Wednesday, February 23, 1966, the Canadian Federation of Agriculture said: "There should be a forward pricing policy related to the cost of production on specified quantities of wheat". And I personally believe, Mr. Speaker, that this is a proposal which could well be supported.

I think, Mr. Speaker, also that while it may be the federal government's desire to maintain a cheap food policy for Canadians, it is very unrealistic to expect Canadian farmers to subsidize Canadian consumers by themselves accepting a lower standard of living. For too long, and I share this I believe with the hon. member for Cutknife (Mr. Nollet), farmers have been asked to provide cheap food and in doing so they have accepted a low standard of living in many cases. I think that this is a policy in which if the federal government wishes to continue, they must make up for the return that the farmer is receiving.

The hon. member also mentioned various shortages; possibly one or two shortages he had in mind were hogs and milk. However, in these two areas I think that they are shortages which have been created for a number of reasons besides the reduction in price. Two of the greatest problems associated with production here are labor and working conditions; and I think that both of these can be corrected. One of them has already been partly corrected by

instituting the Canada Pension Plan. The second one if the federal government soon passes unemployment insurance will also go a long way to assisting this problem. However, undoubtedly there will be need from time to time for the federal government to revise its support prices to keep supply in line with demand.

Mr. Speaker, we have a system of support prices in agricultural products and these are definitely in need of revising from time to time. But I cannot see where, as suggested by the hon. member for Cutknife (Mr. Nollet), the instituting of prices above the cost of production, a level which would be very, very difficult to determine because of various production techniques, it would be of much kindness to the farmer in this country.

Mr. Nollet: — Mr. Speaker, on a point of privilege, may I say to the hon. member I did not suggest guaranteed prices above production costs but at production costs.

Mr. Weatherald: — Well, Mr. Speaker, I find very little difference because we have a system of prices which is very close to the cost of production now based on approximately 80 per cent of the price.

Mr. Speaker, I would like to take a few moments in dealing with the part of the resolution which deals with transportation. I think that this is a very serious matter and of great concern to all those who are engaged in agriculture and rightly so. I noticed with interest an article carried in the Leader Post of March 1, 1966, which was headlined "Grain Orders Said Lost".

Finance Minister Sharp advised the Commons on Monday there was no doubt Canada has lost grain export orders in the current crop year because of lack of transportation. Both the private grain trade and the Canadian Wheat Board have had inquiries which could not be pursued because Canada's grain handling transportation facilities were extended to the limit to meet existing record commitments. Additionally foreign buyers have been aware of these heavy commitments and some may have filled their immediate requirements elsewhere.

Now, Mr. Speaker, this is a situation which simply cannot be tolerated by those who depend on agriculture for their livelihood. In general farmers have not wanted large subsidies even in times when their incomes were low. However, farmers have every right to expect adequate transportation for their products when the market does exist. The CPR has recently been criticized in this regard, and there is evidence to suggest in many cases it is rightly so.

It would seem, Mr. Speaker, that in many cases the CPR is trying to serve two masters. It has an obligation like all companies to its shareholders to make a profit, and on the other hand it has an obligation to the Canadian public to provide adequate transportation facilities. In a booming economy these two masters cannot help but be at odds with one another. With the situation which we have in this country today, Mr. Speaker, the CPR is confronted with the situation of trying to serve agriculture, a problem which is open to question as to how much profitability there is in serving agriculture, and on the other hand they have to haul freight which they can make a profit on. They have limited facilities to carry out this transportation and, therefore, these problems of serving both agriculture and attempting to make a profit

are certainly not able to be correlated.

The public is entitled to service due to previous concessions in land and minerals to the CPR. However, to my knowledge no one has as yet ever determined to what extent in terms of dollars the CPR should lose in public transportation because of concessions to the CPR. We simply cannot afford this dilemma to continue much longer when a market for agriculture exists. Agricultural producers have every right to expect that these markets can be met and there seems to be considerable evidence, according to statements by people in high places, that these markets were not served to the utmost. There is the necessity of the federal government showing leadership in this regard, and in this area I firmly believe that requires a certain amount of investigation and correction insofar that agriculture simply cannot be hampered because of lack of transportation. It can be suggested that because of a sudden boom in wheat exports we are not prepared to transport this unexpected volume. However, Mr. Speaker, with the results achieved in recent years, and the promising outlook for markets, it is a problem which must be solved immediately. In this regard action is needed not only regarding the railroads but support facilities as well.

Mr. Speaker, there is a great need for improving income in agriculture and preservation of the family farm. However, in looking at a number of these problems, I am also convinced that we must be careful, Mr. Speaker, that the cure isn't worse than the disease. I support, Mr. Speaker, the amendment and the resolution.

Some Hon. Members: — Hear, Hear!

Mr. W. J. Berezowsky (Cumberland): — I had not intended to speak to this resolution, but after listening to the hon. member from Cannington (Mr. Weatherald) it reminds me of what I heard from a former member from Cannington some ten years ago. I had presented the plight of the farmers that I know of in my area, and at that time I pointed out that there was a price-cost squeeze. The former member from Cannington said that the member from Cumberland didn't know what he was talking about, that farmers had never had it so good as they had at that time. This happened about 10 or 12 years ago. I think he also mentioned farmers were driving around in Cadillac cars, and I think the comment I made was, "Were they paid for?"

Now, it is strange to hear, from members opposite, talk about the farmers and talk about the cost of production, suggesting to us in this legislature that the farmers should not obtain the cost of production or even a little bit more. I think that in that kind of philosophy we find ourselves in difficulty. Everybody else is supposed to produce, — it doesn't matter whether it is a pulp mill, or whether it is a mine, — everybody is supposed to get back their cost of production and perhaps a bit of profit. A very good example is found in industry because you find today, — and you all know about this, you have heard it before and it is a fact, — that when mining companies, gold companies can't make a profit the Dominion government subsidizes them in order that they do make a profit. But the members opposite tell us that farmers are not entitled to a profit. It isn't the same for industry or, for example, transportation. It has been the same story. Here we have a government in Ottawa that takes upon itself the responsibility to assist shipbuilding companies, not only to get back their cost of production in building of ships, but accrue a substantial profit. That is why the governments for the past few years, both Liberal and Conservative, have given 40 and as high as 50 per cent subsidies to such companies.

But Liberal members in this house are suggesting that farmers need not get back their cost of production or make any profit. At the same time, hon. members opposite contradict themselves because on one hand while suggesting what I have said they turn around and say, "Oh yes, but the farmers are hard up". It is indeed surprising to hear them admit it.

Mr. Speaker: —, we have heard some excellent generalizations from the former Minister of Agriculture (Mr. Nollet) here tonight, and I am not going to go over the same area. But I am going to talk to you, Mr. Speaker, and to the government sitting opposite and urge them not to vote for the amendment because it is not the answer to our problem. I think that they will admit that this amendment will have no effect; it doesn't do anything for the actual problem that exists among farmers. It reminds me, of one time last fall when I met the Minister of Public Health (Mr. Steuart) in the city of Prince Albert. He told me how lucky I was to be a farmer. I pointed out to him that if the city of Prince Albert and people in business depended upon us farmers they probably wouldn't have a patch on their pants. And that is actually the situation today. Farmers are expected to produce eggs at eight cents when it costs them about 25 cents a dozen to produce eggs; to accept losses on grain and hogs this year and last year and every year for the past number of years. That is exactly how farmers have fared.

Farmers are expected to produce hogs at 18 and 20 cents a pound. But, of course, the hogs are up now because the farmers were squeezed out of the business. They couldn't produce below the cost of production. The few who were left are making some money now. It has been the same thing with cattle; it has been the same thing with grain; and the same thing with all farm products. Hon. members still believe in the old adage, or the old practice of supply and demand. It reminds me of a number of years ago, Mr. Speaker, when we had a commission studying this whole problem. I think a certain Mr. Parker from the packing industry told us he had the answer to the farmer's problem. What was his answer? Farmers grow too much wheat. Get out of wheat and get into cattle, he said. The members here at the time will remember when I stood up and asked this gentleman, "Supposing you had too many cattle, what do you do then?" And he said, "Go back into wheat". What nonsense!

We have to recognize this. If we are going to have family farms, either we are going to have our young people remain on farms, on section farms or half-section farms, large or small, or else we are not going to have this intolerable situation. It may be as the hon. member from Cannington (Mr. Weatherald) said that the time may come when you may have to accept corporate farming.

I said I am going to be specific. I happen to have two or three income tax returns here and by the way these are correct. As a matter of fact this gentleman was checked on not long ago, and last year's statement was found to be correct by the Income Tax people. I won't mention his name but I will illustrate to you gentlemen what a farmer, who manages 640 acres, makes a year. I will illustrate to you from his own statement and then you can compare it with your income.

Hon. D. Boldt (Minister of Social Welfare): — How about yours?

Mr. Berezowsky: — Or mine. I also farm and I had a deficit too but I am not

ashamed. Take last year, 1963, and particularly the legislative secretaries should listen to this. Here is a farmer's total expenses, his depreciation is only \$1,800; you can take that off if you like; but I think that he is entitled to have a depreciation, — his total expenses are \$5,918. This is a one-section farmer who raises cattle, who raises pigs, who is a married man who has a home. What was his income? \$5,889. Do you know what it represents? Two thousand, two hundred and sixty one bushels of wheat, 1,329 bushels of barley. This amounts to \$3,100 in grain receipts. Then he collected \$977 from the Wheat Board. Oh yes, he made a lot of money. He sold swine, \$500 worth of swine; poultry, pigs, cattle and eggs, \$233 worth of eggs; for unloading grain, \$31.65. Yet at the end of the year, after a years effort, a farmer farming a section of land, only made, well, he didn't make anything, he lost \$29.86 last year.

Here is a farmer from my community and he is in a good soil area. What happened this year . . .

Mr. Boldt: — Take it as read.

Mr. Berezowsky: — You don't take it as read. I hope you learn something. Mr. Speaker, here is a farmer living in the best area in Saskatchewan. Members interrupting happen to be elected to this legislature; they are well padded and they think the whole world is just as fortunate as they are. They are not! The Minister of Social Welfare (Mr. Boldt) thinks that everybody is as well off as he is. They aren't as well off as he is.

Mr. Steuart: — He is a good farmer.

Mr. Berezowsky: — They are just as good but they weren't quite as fortunate. Their fathers didn't homestead on the same kind of land.

Now, let's get back to this same gentleman who farms a section of land, 437 acres under cultivation, Mr. Speaker. He has cattle, he has pigs. Let's take a look at last year. This is an average farmer. This is not a quarter section farmer. What expenses did he have last year? Seven thousand, nine hundred and forty two dollars and forty six cents. Of that \$1,797.90 happened to be depreciation. So he had expenses to the extent of about \$6,000 plus depreciation.

An Hon. Member: — He was a capitalist.

Mr. Berezowsky: — Nonsense. What was his income? He worked like a mule all year ekeing out a living.

Mr. Steuart: — Depressing. I thought he was a man.

Mr. Berezowsky: — Yes, the Minister of Health (Mr. Steuart) thinks it is funny. He should act like a man and should be serious about these things. Now, consider seriously the situation of thousands of farmers across Canada who have such holdings. As I said, his expenses were \$7,942 and what was his income, \$8,471.78, of which \$1,400 was earned operating a school bus. In other words, again the man had a deficit except for the school bus salary.

Mr. Boldt: — He must have been a poor

farmer. He was operating a school bus.

Mr. Berezowsky: — Maybe the hon. Minister of Social Welfare (Mr. Boldt) was a poor farmer too and that is why he is in the legislature drawing a fat salary because he can't farm properly, if that is the way he thinks. But, Mr. Speaker, this is a very serious situation. I regret exceedingly that members on the other side were laughing at this situation because it is the case all across the country. The Minister of Public Health (Mr. Steuart) knows that his own area, the Prince Albert area, which is supposed to be an excellent area, was declared a depressed area by Ottawa. It is depressing when you see people having to live under such circumstances. Instead of supporting us on this side on this resolution and suggesting that there should be a guaranteed and adequate minimum prices for all major farm products for eggs, butter and for hogs, cattle as well as grain, they try to evade the issue by asking that this section be removed and by enunciating that "the aggressive sales policy of the government in Ottawa" is the answer to our whole problem. Now, I, for one, am not afraid to stand up and face the truth and support the motion as it was originally intended. I certainly will vote against the amendment which has only been made to evade the whole issue.

Some Hon. Members: — Hear, Hear!

Mr. J. H. Brockelbank (Kelsey): — Mr. Speaker, I have been trying for a while to get your eye. There are a few things I would like to say on this resolution and amendment but probably it was alright to wait because I think the hon. members for Cutknife (Mr. Nollet) and Cumberland (Mr. Berezowsky) have got pretty well everybody persuaded that they will support this resolution.

The resolution we are discussing asks the federal government to ensure that Canadian railways make available the transportation facilities for our commodities, and also that they guarantee adequate minimum prices for all major farm products. Now, the amendment offered by the member for Yorkton (Mr. Gallagher) would strike out that part about adequate farm prices now and instead would suggest "that the federal government continues an aggressive sales policy thereby assuring farmers a ready market and adequate returns for export wheat". Mr. Speaker, I am going to move an amendment to the amendment, and I am going to send it up to you now, Sir, so you can look at it. I think it is in order, I hope it is, seconded by Mr. Lloyd (Leader of the Opposition). The amendment to the motion, if the members will just watch their book I think they can follow what the amendment says, — be amended by deleting the words:

That all the words after the word (2) be deleted and the following words be added:

That is the part we delete, substituting therefore the following words, — these are the words we would put in:

That the following words be added at the end of the motion, and that the amendment be further amended by deleting the words "and adequate returns".

Now, Mr. Speaker, this will have the effect, when the amendment to the amendment is carried and the amendment is carried and the motion is carried, we will then arrive at the present situation, and this is what we will have:

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We urge the federal government to take immediate steps to ensure Canadian railways make available immediately enough boxcars, locomotives and other equipment to transport Saskatchewan grain to terminal elevators to meet Canada's export commitments.

Nobody argues about that, that is fine.

And to guarantee adequate minimum prices for all major farm products now.

And really after listening to members on both sides of the house talk I don't see how we can argue that this isn't desirable and in fact, necessary, and then it would go on:

and continues an aggressive sales policy thereby assuring farmers a ready market for export wheat.

Now, I think all of us pretty well want all of these things, and this is why I am moving the amendment because it gives to the legislature another choice in this case, but I want now to say just a few words in regard to the speech made by the member from Cannington (Mr. Weatherald).

Hon. D. V. Heald (Attorney General): — Mr. Speaker, I didn't want to interrupt this member but I wanted to be sure I had it right. I wonder if I could just check this with you. The effect of your amendment to the amendment would be to put (2) back in as it was in the original motion and then add after the semicolon at the end of (2), the words in Mr. Gallagher's amendment.

Mr. J. H. Brockelbank (Kelsey): — It just adds Mr. Gallagher's amendment at the end of the motion instead of taking out a part of it, and then it takes out the reference to "and adequate returns" because we already have that in previously.

In regard to the speech made by the member from Cannington (Mr. Weatherald), he is quite a pleasant young man and he made a speech which will be very acceptable to the Liberal party all across Canada. Mr. Speaker, it will be possible for him to go on making this speech every year until his hair turns white, as long as we have a Liberal government at Ottawa because these problems will remain. This will be the situation that he will be facing. But listen to some of the things he said. Consider what he said. He said:

A guaranteed price higher than the cost of production would result in gross inefficiency.

And then in the next breath, Mr. Speaker, he said it would result in huge surpluses. This gross inefficiency would produce huge surpluses, terrible, isn't it? The finally he said consumers would go and buy other products. Well, we farmers will take a chance on that part of it all right, but it is just ridiculous to claim that to give farmers a price that will include the cost of production, including wages for the farmer and so forth will make it inefficient, is the greatest nonsense in the world. Farmers in Saskatchewan, in the main, are very efficient indeed. They have had to be to live. Yes, under the present situation they have had to be very efficient indeed. They have produced surpluses at times and this will always be so in the future too, I hope. If we

ever get to the point where in the good bountiful years we do not have great surpluses, then we arrive at the point where the world is on the verge of starvation. We need to be able to produce great surpluses when years are favorable.

Another thing that the member said, when he was talking about the profits that farmers would make if the price was set up above the cost of production was:

You know these profits would encourage corporation farming.

Mr. Speaker, to preserve the family farm, and I think most of us recognize that the family farm is a pretty good institution, to preserve the family farm, is it necessary that the farmer produce at less than the cost of production? I don't think so. I think the only thing that will make sure the preservation of the family farm will be to give to the farmer a decent price so that family farmers can farm and enjoy a standard of living which is fitting and proper for them.

Now, I am going to ask the members of the house to support this amendment to the amendment if Mr. Speaker has found it in order. I would emphasize that it just puts before the house another choice which they can vote for. If they don't want the government to continue an aggressive sales policy, they will have a chance to vote against that. If they don't want guaranteed adequate minimum prices they will have a chance to vote against that. But let us support this. I think then we will have expressed our opinion on the important question of transportation, on the important question of an aggressive sales policy in the world market.

Some Hon. Members: — Hear, Hear!

Mr. Speaker: — It seems to me that the machinery of the amendment is that “all the words after the word (2) be deleted and the following words added”. It seems to me that a sub-amendment cannot seek to amend the machinery of the amendment, and I can't find the sub-amendment in order at the present time. It is possible that it might be brought into order.

Mr. J. H. Brockelbank (Kelsey): — Mr. Speaker, on the point of order, I think what we have before us now on the blue paper, item 2, guaranteed minimum prices for all major farm products now, and then we have the proposed amendment. My sub-amendment doesn't touch the motion at all, it only alters the amendment. It takes words out of the amendment, “and all the words after (2) be deleted and the following words be added to the motion” which is only changing the amendment. The purpose of the amendment, Mr. Speaker, is to get the members the opportunity to express the opinions that they may hold. I want to keep both in the final motion, the idea of a guaranteed price and also an aggressive sales policy so that those members of the house who want both of these will have a way to vote if I move the amendment.

Mr. Gallagher: — Mr. Speaker, I think the sub-amendment destroys the intention of the amendment. In moving my amendment this is the reason why I wanted the words deleted, — the second part of the original motion, — “to guarantee minimum farm prices for all major farm products now”. I wanted this deleted. This is why I moved that

amendment, but your sub-amendment tends to destroy this particular aspect of my amendment.

Mr. Brockelbank (Kelsey): — If the sub-amendment is voted down you are back to that position, and the house has the right to carry a sub-amendment if it wants to destroy that.

Mr. Speaker: — The sub-amendment has to relate itself particularly to the amendment and it would appear that as much as the sub-amendment relates to the amendment, it has a very negative part in there.

Now, if all the member wants to do is strike out the words “and adequate returns” this would be a perfectly orderly sub-amendment, but I fail to see how the member can seek to amend the machinery of an amendment by the machinery of a sub-amendment. I can’t find the sub-amendment in order.

Mr. E. I. Wood (Swift Current): — Mr. Speaker, the member from Yorkton (Mr. Gallagher) has indicated that he feels the sub-amendment here is a direct negative of the amendment that he proposed earlier. But with all deference, Mr. Speaker, I would submit that this is not a direct negative. It does not profess to undo entirely all that he endeavored to do with his amendment. It simply changes the emphasis. I would submit that this is not a direct negative and it is one that I would assume could be acceptable.

Mr. Brockelbank (Kelsey): — Mr. Speaker, if I may have permission to say just one more word. The amendment leaves us no choice. If we vote for the amendment we destroy part of the motion, that was the idea of the amendment. Now, I don’t know of any other way we can give the members in the house the choice of voting for the substance of the amendment and at the same time not destroy any of the motion except by the device that I put forward. It just gives another choice and it only relates to the amendment. It doesn’t alter a word of the motion.

Mr. F. A. Dewhurst (Wadena): — Mr. Speaker, I realize this is a little complicated for you, Sir . . .

Some Hon. Members: — Hear, Hear!

Mr. Speaker: — Order! The amendment is out of order and I am not going to try and bring it into order for the member. The sub-amendment is a negative of the amendment, and that settles the matter.

The amendment was agreed to on the following recorded division:

Yeas — (29)

Messieurs

Howes
McFarlane
Boldt
Cameron
Steuart
Heald

MacDougall
Grant
Coderre
Bjarnason
Cuelenaere
McIsaac

Radloff
Romuld
Weatherald
MacLennan
Larochelle
Hooker

Gardiner (Melville)
Guy
Merchant (Mrs.)
Loken

MacDonald
Gallagher
Breker
Leith

Coupland
Gardner (Moosomin)
Mitchell

Nays — (20)

Messieurs

Cooper (Mrs.)
Wood
Nollet
Brockelbank (Kelsey)
Blakeney
Davies
Lloyd

Thibault
Whelan
Nicholson
Kramer
Dewhurst
Berezowsky
Michayluk

Smishek
Snyder
Larson
Robbins
Pepper
Brockelbank
(Saskatoon City)

Mr. Wood: — Mr. Speaker, on a point of order. I think we have adopted an amended resolution, it is not exactly very good English. It says “and to, and continues”. I think we have a superfluous “and” in there.

Mr. Steuart: — We don’t mind.

Mr. Speaker: — Well, it seems to me the member’s point of order is pretty well taken. There should be a (2) between the words “and” and the words “and continues” and the “s” should be taken off the word “continues” in my opinion.

Hon. D. McFarlane (Minister of Agriculture): — Mr. Speaker, I think the same situation rose the other day and you just amended it by striking out one “and”.

Mr. Speaker: — Yes, but that was before the house passed the motion. The house has passed the motion now.

Mr. Dewhurst: — Mr. Speaker, I beg leave of the assembly to adjourn the debate.

Mr. Speaker: — The member from Wadena (Mr. Dewhurst) has asked leave to adjourn the debate, is leave granted”

Motion to adjourn negatived.

Mr. Dewhurst: — Mr. Speaker, does that give me the right to speak now, when I haven’t spoken at all.

Mr. Speaker: — Since you moved the adjournment of the debate which was negatived you have lost your right to speak.

I have to agree with the point or order, the motion is

ungrammatical but I don't deny the right of the house to approve an ungrammatical motion.

Mr. Wood: — Mr. Speaker, on a point of order, regarding the member's right to speak, it has always been my understanding that if a member rose in his place and simply moved the adjournment of the debate without making any other speech, in regard to the matter before the house, that it was not considered a speech and he did have the opportunity to speak again.

Mr. Speaker: — The member who has moved the adjournment of a debate cannot afterwards during the same debate rise. I read from the rules:

Having moved the adjournment of a debate the member has spoken on the question.

You are only allowed to speak once during a question. You can't make a second motion during the same debate. You speak only once during a debate.

An Hon. Member: — He asked for leave . . .

Mr. Speaker: — Yes, he asked for leave but he also moved the motion. The motion was put to the house and settled by a vote.

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, it seems to me we are still lacking in the amended resolution in a statement which properly sums up that which could be a solution to the problems of agriculture in Saskatchewan, and on the prairies, and indeed, all across Canada.

It is not my intention to repeat the arguments which have been produced in the debate thus far. It seems to me there has been a very considerable amount of evidence compiled to show that the prices which farmers have been receiving and are receiving for their goods are not comparable with the cost of producing those goods. It seems to me there has been ample evidence produced in this debate this evening and when under consideration previously to show that unless we change and change materially our ways of devising those price levels, then this situation of a wrong kind of relationship between prices and costs is certain to continue. What we need to bear in mind, Mr. Speaker, is also that this is not just a problem for the farmers of Saskatchewan or of the west or of Canada. This is a problem for all of Canada. The entire Canadian economy certainly is affected very materially because of any unfortunate economic circumstances which agriculture has to endure.

We have seen in particular in recent years the kind of contribution which agricultural production and agricultural sales have made to all of Canada. We have seen this in terms of employment from one end of Canada to the other, whether it is in factories or in railroads, or in our commercial businesses generally. We have seen particularly its marked influence on our very severe problem of balance of payments.

Mr. Speaker, because all of these facts have been put before the house, they need no laboring on my part other than a restatement. The resolution that is now amended, I suggest, does nothing

to correct that which is wrong with regard to Canadian agriculture. Furthermore, it does nothing to guarantee that Canadian agriculture is going to continue to be able to make a contribution which it should make to the economy of all Canada. In order that the problems of the Saskatchewan people might be described and a description of this sent to the federal government; in order that the needs of Saskatchewan people including our farm people may be presented to the federal government; in order that this assembly may speak on behalf of Saskatchewan people; I think the motion as amended needs still further amendment. Consequently, Mr. Speaker, I beg leave of the assembly to move, seconded by the hon. member from Kelsey (Mr. Brockelbank) that the motion as amended be amended by striking out the words "and adequate returns" in the last line and adding to the motion the following words:

supported by an adequate guaranteed minimum price.

Mr. Brockelbank (Kelsey): — We would have liked to adjourn the debate but we couldn't.

Mr. Speaker: — The question before the house is on the motion as amended to which an amendment has been moved by the member for Biggar (Mr. Lloyd) seconded by the member for Kelsey (Mr. Brockelbank) that the motion as amended be amended by striking out the words "and adequate returns" in the last line and adding to the motion the following, it would be in the last line of what was formerly the amendment:

supported by an adequate guaranteed minimum price.

Now, I don't think by amendment a member can amend what the house has just expressed an opinion on. We, therefore, can't move an amendment to the motion as amended and strike out the words which the house has just decided shall be there.

Mr. Brockelbank (Kelsey): — Mr. Speaker, on the point of order, I would like to say a word or two on the point of order in regard to this motion. There always must be a way to test any opinion in the house from a motion. The other way I tried was out of order. Now that is why this way had to be tried, and the house voted for the amendment offered by the member from Yorkton (Mr. Gallagher) but this was a double-barreled affair. It was to put something in and take something out. So as to separate these and to find out whether the house really wanted to put something in, or really wanted to take something out, they have to be separated. This was the device for separating them, so that the house can express its opinion on these words that were in the original motion about the guaranteed minimum price, and the fact that the house took them out before when according to the motion they had to take them out to put the amendment in. If my amendment had been accepted, we wouldn't have got into this position. We could have defeated that amendment and we could in that have had our test of the house. That was why I moved that amendment, but we cannot be denied now when the previous amendment was out of order that this one is out of order.

Mr. Steuart: — Mr. Speaker, on a point of order. The house can't be responsible if the hon. member can't so word his amendment that it would be in order. There is no guarantee that the house has

to consider some question. We don't deny the member has a point he wants to put over here, but he just hasn't been able to put it in the proper way.

Mr. Gallagher: — Mr. Speaker, on the point of order. I fully appreciate that the member from Kelsey (Mr. Brockelbank) wishes that all members should have the right to express themselves on this particular matter. I think that we have already had that privilege in voting for the amendment. You people voted against the amendment. Mr. Speaker, if the sub-amendment had been ruled in order I was prepared to vote against it, and I think you did the same thing with the amendment. You had your chance already to express yourselves in this particular issue.

Mr. Brockelbank (Kelsey): — I was put in the position where I had to vote against something I wanted to vote for by your amendment, because I had to vote to keep in the part about adequate prices. I had to vote against the aggressive markets and so forth. This is a ridiculous kind of a situation for any member to be put in.

Mr. Dewhurst: — Mr. Speaker, on a point of order. I wish to raise the matter that has already been raised about the house having already voted on this topic. I believe the rule is clear that there can only be two amendments at any time to a motion, but once the amendment, or the sub-amendment has been disposed of, then it is in order to bring in another sub-amendment once the sub-amendment has been disposed of, so, therefore, the house has made a decision at a certain stage. But the motion is still open. While we have voted on the amendment we have not voted on the motion as amended, so I believe it would be in order to offer an additional amendment.

Mr. Speaker: — I appreciate the position that the member from Kelsey (Mr. Brockelbank) finds himself in, but I draw to your attention the following Citation from Beauchesne's Parliamentary Rules and Forms, 1958 edition, Citation 203 (17).

After a decision has been given on an amendment to any part of a question, that earlier part cannot be amended. In like manner where an amendment of any part of a question has been proposed to the chair, an earlier part cannot be amended unless the amendment so proposed be withdrawn.

It wasn't. In May's Parliamentary Practice, (17th edition, pages 418 to 419):

When the House has agreed to add or insert words in a question, its decision may not be disturbed by any amendment of those words; but here again other words may be added. Such words, however, may not be to the same effect as those omitted by the amendment.

Now, I think that is reasonably clear to all concerned, and just to clarify something which I was looking for a few moments ago, and to which I didn't get just exactly the correct citation, I would draw your attention to Citation 165, this is the one I was looking for before:

A member who has moved or seconded the adjournment of the

debate which has been negatived cannot speak to the original motion.

That clears up that one.

Mr. Kramer: — Mr. Speaker, may I say something here, now the amendment which was introduced by the hon. member for Yorkton (Mr. Gallagher) said two things, one of the things I agreed with, the other which I did not, and it says:

that the federal government continues an aggressive sales policy.

Now, this I agree that they should do, but it said:

and thereby assures the farmers adequate returns for their wheat.

which it does not do, Sir.

Mr. Speaker: — We will settle one point right now, is the member speaking to a point of order, or is he speaking to the motion as amended?

Mr. Kramer: — I'm not speaking to the motion as amended. I am speaking to the point of order. I am simply saying that by denying this amendment you are denying my opportunity to vote for something for which I wish to vote, that part of the motion which I wish to vote for.

Mr. Speaker: — Yes, well, I am sorry but if the sub-amendment wasn't brought into order that is not my fault. It is not the duty of the Chair to bring anybody's amendments or sub-amendments or motions into order.

Mr. Kramer: — I submit that the motion does this, Mr. Speaker, that the hon. member's amendment does this. It states it in a way that permits me to vote for the things I want to vote for.

Hon. A. G. Cameron (Minister of Mineral Resources): — Mr. Speaker, on a point of order, do you wish to challenge the Speaker's ruling? You know the procedure to do it. Now, in this house it is not the property of the member who moved the motion. It is the property of this legislature. We deal with it as the legislature sees fit, and the very fact that something which the member wished to vote for is removed, is no concern of that particular member. This motion belongs to the house, and the house treats it as such and the house chose to remove certain parts of it. It is just too bad.

I can recall when the member from Cannington (Mr. Weatherald) one time moved a motion, they struck out everything but the first two words. He said, "I refuse to leave my name to it". But he couldn't even withdraw his name because it wasn't his motion at all, because the house deals with a motion as it sees fit and the house has dealt with this motion.

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Mr. I. C. Nollet (Cutknife): — Mr. Speaker, may I point out that the amendment to the amendment merely refers again to the original intent of this motion which was accepted by hon. members opposite where it says:

believing the precarious economic condition of agriculture demands . . .

Now, the amendment contradicts this in that it says nothing about doing something positive about the precarious economic condition. The amendment to the amendment gives members on this side an opportunity to express something positive in connection with the first part of the resolution which points up the precarious economic condition of agriculture. This is our complaint that we don't have an opportunity in voting for the amended motion to express our viewpoint on an answer to the solution for the precarious economic condition.

Mr. Speaker: — I think I have given the house the necessary citation to cover the question of the point of order on the amendment for the motion as amended. If anybody can produce anything to contradict that in the Rules and Forms then he is perfectly welcome to go ahead. But I haven't heard anybody doing it yet and I am quite sure he can't.

Mr. Brockelbank (Kelsey): — Mr. Speaker, I would just like to ask for an explanation because this Citation 203, clause 17:

After a decision has been given on an amendment to any part of a question . . .

Now, we had a question before us which was a motion as amended, or a motion and a decision was made to amend it, so we are at that spot. Then it says:

An earlier part cannot be amended.

What does it mean by "an earlier part cannot be amended"?

Mr. Speaker: — Well, to make it perfectly clear, once the house has expressed an opinion, that opinion stands and cannot be changed save by a motion, a motion of rescission. Once the house has expressed an opinion on a certain subject that opinion is there for all time. That is it, that is the end of it. The house expressed an opinion when it passed the amendment.

Mr. Brockelbank (Kelsey): — Then is it correct that, this amendment having been passed by the house, accepted by the house, the house can't change a word of that amendment, but we still can change the motion?

Mr. Speaker: — By adding to it . . .

Mr. Brockelbank (Kelsey): — The motion has not been adopted by this house yet, so we can change the motion, the part that is not the amendment. We can strike out all that about railways if we wanted to.

Mr. Speaker: — That is an earlier part.

Mr. Brockelbank (Kelsey): — But we still can . . .

Mr. Speaker: — You can't move an amendment to an earlier part of a motion that a latter part has been amended. Now, the house has expressed an opinion on the whole matter right down to the present time. It would appear to me that the only way you can amend a motion is to add words to it.

Mr. A. E. Blakeney (Regina West): — Mr. Speaker, I rise to speak very briefly on this motion. It seems that we are having some difficulty finding a way to express the opinion of the house. Therefore, in an effort to bring the matter to a vote in the most expeditious way that I can now think of, Mr. Speaker, I beg leave of the assembly to move, seconded by the hon. member from Moose Jaw (Mr. Davies):

That the motion be amended by adding thereto the following:

and (3) implement the promises of the Liberal party made to us in the last federal election campaign respecting guaranteed prices.

Some Hon. Members: — Hear, Hear!

An Hon. Member: — You don't like that, eh, Wilf?

Mr. Speaker: — We find the amendment in order. The debate continues on the amendment.

The amendment was negatived on the following recorded division:

Yeas — (20)

Messieurs

Lloyd	Thibault	Smishek
Cooper (Mrs.)	Whelan	Snyder
Wood	Nicholson	Larson
Nollet	Kramer	Robbins
Brockelbank (Kelsey)	Dewhurst	Pepper
Blakeney	Berezowsky	Brockelbank
Davies	Michayluk	(Saskatoon City)

Nays — (29)

Messieurs

Howes	MacDougall	Radloff
McFarlane	Grant	Romuld
Boldt	Coderre	Weatherald
Cameron	Bjarnason	MacLennan
Steuart	Cuelenaere	Larochelle
Heald	McIsaac	Hooker
Gardiner (Melville)	MacDonald	Coupland
Guy	Gallagher	Gardner (Moosomin)
Merchant (Mrs.)	Breker	Mitchell
Loken	Leith	

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Mr. Cameron: — Before you put the question, Mr. Speaker, I would like to comment on one or two things in the house tonight. When this debate commenced, I listened to both sides of the house and I readily had to admit to myself that there was a great deal of justification for statements that were made on both sides of the house in looking at the problems that farmers face today. I never thought, however, that I would sit in this legislature when we are debating the serious problems of agriculture and what might be done, and the direction in which we might operate, to think that these people opposite who supposedly would leave us to believe that their hearts bleed for the farmers, should treat a serious resolution in a manner that they have done here tonight to make a farce out of a most serious and constructive resolution. For instance, to see what a farce they made, they say “that they live up to the promises made by the Liberal party in the last federal election” . . .

Mr. Brockelbank (Kelsey): — On a point of order, what resolution is the member speaking to? There is no resolution like that before the house. You can't talk to what went on in a previous debate.

Mr. Cameron: — These are words in the resolution.

Mr. Brockelbank (Kelsey): — Now, they are not.

Mr. Cameron: — Yes, they are, the resolution as now amended.

Mr. Lloyd: — The amendment was defeated.

An Hon. Member: — It did not pass.

Mr. Cameron: — What was not passed?

Mr. Brockelbank (Kelsey): — The amendment was disposed of. He is still arguing the point.

Mr. Cameron: — I'm speaking to the motion as it was amended, not the sub-amendment, and I am expressing my concern about the turn the debate has taken. To use this debating forum for the purposes that it was used tonight, simply to try to get some political gain.

Mr. Dewhurst: — Mr. Speaker, on a point of order, the hon. member is talking about the member on this side moving an amendment, or a sub-amendment to the motion. The house has decided on this, and I suggest to you, Sir, that if he wished to debate that it should have been debated at that time and not after we had taken this last vote.

Mr. Cameron: — Mr. Speaker, I have very little to say, and in summing up the debate on this motion . . .

Mr. A. M. Nicholson (Saskatoon City): — On the point of order, the hon. member has raised a point of order, Mr. Speaker, and I ask for a ruling.

Mr. Heald: — Mr. Speaker, I would like to deal with the point of order

if I might? The member from Wadena (Mr. Dewhurst) makes the point that since the sub-amendment, as made by the member from Regina West (Mr. Blakeney) is lost, no further mention can be made of the subject matter of that sub-amendment. I would respectfully comment that he is not correct. I would submit to you, Mr. Speaker, that as long as the hon. member, the Minister of Natural Resources (Mr. Cameron) restricts his remarks so that they are germane to the motion before the house now, that is what he is doing. He can talk about the policy of the Liberal party; he can talk about the farm policy of the NDP; he can talk about the farm policy of the Progressive Conservative party, so long as he is talking about the subject matter of the motion. And that is what he is doing.

Mr. Dewhurst: — I submit, Mr. Speaker, that he cannot refer to anything which was brought up on this side of the house in the sub-amendment.

Mr. Speaker: — Well, I will read the motion as amended to the house, and I draw the attention of all members to the fact that whatever they have to say must be relevant to the motion as amended, or to any subsequent amendment he might wish to move thereto.

That this assembly, believing the precarious economic condition of agriculture demands immediate action, urges the federal government to take immediate steps to:

(1) ensure Canadian railways made available immediately enough boxcars, locomotives and other equipment to transport Saskatchewan grain to terminal elevators and to continue an aggressive sales policy thereby assuring farmers a ready market and adequate returns for export wheat.

Now, this takes in the actions of the federal government, it takes in the actions of transportation, terminal elevators, it takes in the field of the sales policy for wheat and markets for them and adequate returns for the wheat. It takes in a pretty wide field. So I would ask the members to relate their remarks strictly to the motion as amended which is before the house at the present time. I think it takes in the whole field of grain, marketing, and transportation. Now, I would sum it up by saying that.

Mr. Dewhurst: — Mr. Speaker, on reading the motion, am I correct in thinking that you deleted after the word elevators. I think on the printed form, I think you left out almost one line of that motion.

Mr. Speaker: — Oh yes, I left out “to meet Canada’s export commitments”.

That opens up a still wider field for members to discuss.

Mr. Cameron: — Mr. Speaker, if I may continue for a moment. I didn’t intend to say very much, but it seems to me I have a very wide field on what I want to say; but I am going to confine myself to this. That I am indeed disappointed to see the trend the debate has taken on this resolution, in an agricultural province, when speaking to the resolution about the serious condition and asking the federal government in all sincerity to do something in regard to this condition, the only thing I can find as evidence is that it was a city member who chose to treat this problem in such a manner as he has here tonight, and it is typical of the hon. member . . .

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Mr. Dewhurst: — The hon. member is referring to the sub-amendment which has already been voted on. He is referring to the amendment by the city member who is the member for Regina West (Mr. Blakeney).

Mr. Speaker: — The sub-amendment has been voted on; the amendment has been disposed of; but the debate isn't closed.

Mr. Cameron: — Well, I am just going to sum up by saying that judging the evidence of the members of this house, it will be evident to the people of Saskatchewan, the manner and the levity and the purpose with which this resolution was treated by the opposition and particularly by the city member from Regina. It will be known across this province, this attitude of the opposition on this resolution.

Mr. Speaker: — I must draw the attention of the house that the mover of the motion is about to close the debate. If anybody wishes to speak he must do so now.

Mr. L. M. Larson (Pelly): — Mr. Speaker, I am not going to take a great deal of time in closing the debate on this resolution. I can certainly understand the concern of the member from Maple Creek (Mr. Cameron) when he talks about the embarrassing position that they were put in. I think I would be very embarrassed too if I was to stand up on behalf of the farmers of Saskatchewan and vote against the promise that a Liberal party made . . .

Mr. Cameron: — Order. We can both play this game.

Mr. Speaker: — Order. Order. I think you are both a little out of order. What is sauce for the goose is sauce for the gander.

Mr. Larson: — Well, now that we have cleared that point I will concede that we were both a little bit out of order. The facts of the matter are that I am not half as sensitive at being out of order as the hon. member (Mr. Cameron) across the way apparently was.

Now, I think in this debate if this resolution hasn't produced anything else it has produced for the farmers of Saskatchewan the precise position of the Liberal party insofar as agriculture is concerned.

We thought we had presented a resolution that was acceptable. It was based on promises made; it was based on a problem that existed for a great number of years. We had hoped it would be acceptable. We had hoped that we could get it through without all this goose-stepping and side-stepping and shenanigans. Apparently, we have proven now in Saskatchewan where the Liberal party stands insofar as agriculture is concerned. I am very happy if nothing else has been proven that I can go out and say that we now know. I can produce the record; they vote against their own political promises. This, Mr. Speaker, has been the grand revelation of this debate on this resolution. I agree with the hon. member from Maple Creek (Mr. Cameron) it is a very serious one and has for a long time required some action by the federal government at Ottawa. In closing this debate I want to say this,

that the position is serious. Some of the members on this side have pointed them out. We have tried to get this across. We had hoped that we could use the persuasive powers of this assembly to bring the problem to the senior government in the hope that we have some action.

We now see what has happened. It has been diluted to where I am reluctant to support it. Yes, transportation, certainly we understand the need, we understand equally well the need for adequate prices, yet we are going to be denied the right to ask for this very important part of this resolution.

Now, if it hasn't produced anything else it has produced some salient features and salient facts. I certainly feel that the farmers of Saskatchewan are going to consider them and make judgment in their own conscience. I am quite prepared to abide by that judgment.

I want to say now that we are voting for something that as far as we on this side of the house are concerned means very little to anyone of us.

Motion agreed to.

On the motion of the Hon. Mr. Steuart, this assembly adjourned at 9.58 o'clock p.m.