# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN Fourth Session – Tenth Legislature 28<sup>th</sup> Day

**Tuesday, March 11, 1947** 

The Assembly met at 3:00 o'clock p.m. On the Orders of the Day.

#### ADJOURNED DEBATES

#### BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. C.M. Fines (Provincial Treasurer) that this Assembly do now resolve itself into a Committee of Supply.

Hon. J.H. Brockelbank (Minister of Municipal Affairs): Mr. Speaker, first of all in speaking in this debate, I want to offer my compliments to the Provincial Treasurer. I have sat in this House for a few years and heard budget speeches delivered. I have never heard as god a budget speech as was delivered in this House last Thursday; and furthermore, Mr. Speaker, there has never in my experience been as good a budget introduced in this h as was introduced last Thursday. A budget never provided for so many services for the benefits of the people of Saskatchewan as this Budget provides for. Never before in the history of the provinces was the budget so large.

My hon. friend, the Leader of the Opposition, seems to think that its at least two strikes on the Budget – against it – because it is a large Budget. It seems to me that the Province of Saskatchewan might be compared to a farm (it is largely agricultural anyway), and on that farm we might find the Leader of the Opposition or the Member for Arm River with probably 50 acres of land under cultivation. That year, his budget might only be one or two thousand dollars; but I doubt very much, Mr. Speaker, if, when that farm was developed, when it was all under cultivation and all in production, when everyone on that farm was working to produce goods and services – I doubt very much if the Members of the Opposition would have any criticism to offer because the budget had reached a point of ten or twenty thousand dollars. It is, in that case, an indication of the production of goods and services on that farm, and an indication of the well-being of that farm; of the standard of living of the people living on that farm.

I would point out, too, that a budget of \$15,000,000 or \$20,000,000 in 1935 or 1936, a provincial budget, was, by comparison with the income of Saskatchewan, a much larger budget that is the budget that was introduced the other day. If there ever was a time when a provincial budget was a load on the people of Saskatchewan, it was at that time. Saskatchewan is a large farm; it is pretty well developed. Everybody in Saskatchewan is working – or almost everybody – to produce wealth, to produce goods and services which the people want. Saskatchewan can now afford the services provided by this large Budget.

The Leader of the Opposition had some remarks to make about that old favorite, Santa Claus. It is quite evident that he still believes in Santa Claus; and maybe that is a good thing.

As a matter of fact, Mr. Speaker, I rather have a notion that, when he sat on this side of the House, he believed in Santa Claus then and he waited for Santa Claus but Santa Claus did not dome. The difference is, you see, Mr. Speaker, that we just don't believe in Santa Claus on occasions like this. We believe that we have got to get out and do things for ourselves here in the Province of Saskatchewan and in the Dominion of Canada.

The Leader of the Opposition also offered some criticism because the Provincial Government did not come through with the subsidy on milk production. Well, it would have been the first time in the history of this province if it had been done. He suggested that we might have had a subsidy on pork production in this province; that we might spend more on irrigation; that the Government which he had the privilege of leading, had something to do with the closing up of the Farm Loan Board as a lending institution.

Then, Mr. Speaker, on top of this, he suggested that we should, in the Province of Saskatchewan at the same time, reduce taxation and have a smaller budget. Now, Mr. Speaker, if this had come from someone who had had no experience in Legislatures and in government itself, if it had come from his friend Nelson Clark or Rupert Ramsay, I would not have been surprised; but I certainly was surprised that it came from the Leader of the Opposition, who for many years was Provincial Treasurer kin this province and who used to tell us from this side of the House that we could not have things without taxation – we had to find the money. One of his colleagues, I remember, the Minister of Public Health at that time, had a famous mythical gooseberry bush where he thought we might get the money; but we could not find the gooseberry bush. For him to suggest that services should be increased – that we should do all of these other things and then reduce taxation, just makes it a little ridiculous.

The Leader of the Opposition did sympathize with the crippled people in this province. I might point out to you, Mr. Speaker, that they never got much more than that from a Liberal government. Insofar as the unfortunate people in the province were concerned, I could not help but think of the Rt. Hon. James G. Gardiner's theme song, "I can't give you anything but love."

And then the Leader of the Opposition said that the present Government is grossly negligent of agriculture. All one needs to do is to look up the records to see how little was spent for the improvement of agriculture in this province in previous years. No one on this side of the House would maintain that was are doing all of the things that we would like to do for the improvement of agriculture; but I would say, Mr. Speaker, if this Government is grossly negligent of agriculture, then the words to describe the Liberal Government's policy with regard to agriculture would be definitely unparliamentary.

At the same time he states that we should do more for agriculture (or almost the same time), he practically condemned the seed grain cancellations. Well, Mr. Speaker, his Government tried seed grain cancellations in 19238, and it may be interesting to this House to know that letters were written to Ottawa asking (it was a case of 'ask and ye shall receive' – the only trouble was they did not receive any) for an adjustment on the seed grain. They did not get anything and then there was an adjustment put into effect.

He referred also to the Agricultural Representatives Service. Now, Mr. Speaker, I think everyone in this House realizes the importance of agriculture. I think everyone realizes that if, by getting out information with regard to better agricultural practices, if, by encouragement we can improve agricultural practices in this province, we even get one or two more bushels yield per acre, or out of a litter of pigs that a farmer is raising he will on the average raise one more pig to market weight, the economic difference resulting in this province will be tremendous.

The Agricultural Representatives' Service in this province is not such as was referred to by the Leader of the Opposition. When the former Government was here in office, they had an Agricultural Representative Service (and some of those men are still in the service), one of the things was that they were so thinly spread out, and an Agricultural Representative had such a tremendously big district, that the work he could do had very little, if any, effect. These Representatives still have districts which are plenty large enough, and they are building a better agricultural practice here in the Province of Saskatchewan. That cannot be done overnight. The only way to do it is to continue that work and to continue to get the people in the agricultural communities, the farmers themselves, to consider their problems, to talk them over together with each other and with the Agricultural Representative, and by illustrations, demonstrations, and by exchange of ideas, and the better use of machinery and equipment, better care of livestock, our production can be increased and our economics in the Province of Saskatchewan can go up by millions of dollars.

The Leader of the Opposition, Mr. Speaker, mentioned some of the things that this Government is doing which he inferred at least (if he did not say) would be a burden on agriculture in this province. If I remember right, he referred to the institution of shorter hours of labor, shorter hours of work, for the labor people in this province. I do not know whether there has been another split in the Liberal Party or not, but if we turn to page 28 n this nice little red book – the report of the Saskatchewan Provincial Liberal convention held last August – on page 28 we find this:

The Saskatchewan Liberal Party pledges itself to the enactment of such legislation applicable to industrial and service employment so as to encourage the bringing about of the forty-hour week, such legislation not to apply to the agriculture industry.

Mr. Speaker, after reading that of course I realize that this House will still not know and it is not intended to know, whether or not the Liberal Party is in favor of the forty-hour week. This sentence was not framed with the idea of clarity in mind. But if they are in favor of the forty-hour week, then why did the Leader of the Opposition complain about it? If they are not in favor of it, why have they got it here?

Incidentally there is really a gem right beside this one. For people who believe in saying what they can do and then doing it, or people who claim to be like that, as our friends in the Liberal Party, listen to this, Mr. Speaker?

The Saskatchewan Liberal Party pledges itself: (a) to the establishment of a contributory pension scheme

designed to progressively reduce retirement age to 60 years.

Well, Mr. Speaker, that is the Saskatchewan Liberal Party that is going to do that – not the Federal or National Liberal Party, but the Saskatchewan Liberal Party. As you well remember, in this Legislature we have had motions come from the Liberal side of the House asking that a contributory scheme of pensions be instituted in Canada – by the Federal Government! Yet here we have the Saskatchewan party. I want to know whether they meant that it should be Canada, or are they going to do that here in Saskatchewan. Again I think this was not devised for clarity.

#### Here is another gem:

The Saskatchewan Liberal Party pledges itself to the revision of the Unemployment insurance Plan to make it applicable to employed persons, regardless of income, and to make possible a more adequate benefit for the temporarily unemployed.

Well, in the first place, I do not think anybody either in or out of the Liberal Party knows what that means; nor were they meant to know. And again, unemployment insurance is a matter for the Federal Government. Yet, here, set up as if it were supposed to be a part of a provincial platform, is this sort of thing.

Right underneath it goes on:

Be it resolved that the Liberal Party, on return to power in Saskatchewan.

That is what they are talking about – Saskatchewan; not some place else.

Now, Mr. Speaker, the Leader of the Opposition also makes some mention of one, Leopold Fiset of Fir Mountain. I have not got the whole story in regard to this. I just did not have time to collect it all; but I understand that this man is either a partner or a farm or ranch foreman for Doctor Sussey who has rangelands of considerable extent down in that area. He is correct in that three cars of feed were ordered on November 22<sup>nd</sup>. I do not know whether this man has 500 head of cattle or not ...

**Mr. Patterson**: — He has them now.

Mr. Brockelbank: — ... but if he had 500 head of cattle and knew on November 22<sup>nd</sup> that he was going to be short of feed by the narrow margin of three cars, it sounds a little bit like a funny story. The order was passed on to the Department of Agriculture. The Department of Agriculture could not get the hay shipped in. Then the railways were tied up, and, even in that case, the Department of Agriculture was doing everything it could. But I would point out in this House that during the past summer, farmers and ranchers all over the dried-out area of the province were encouraged to go to where the hay was good, (there was plenty of it which was not put up), and to put up that hay. The Government offered to pay the freight on the machinery to the hay, and to pay the freight on the machinery back again, and a great many people who have since that time needed the products made no steps to put up that feed at all.

**Mr. Proctor**: — Pretty weak explanation.

Mr. Brockelbank: — The Leader of the Opposition also stated that the Liberals left no unpaid accounts. Mr. Speaker, it stuck in my mind that there were some, so I looked it up. I found that, on April 30<sup>th</sup> 1944, (they were still there when we took office in July), there were \$92,000,000 of Treasury bills. Those were rather what you might call unpaid accounts. A great many of them have been settled now. Besides that, in my Department, in the LID Branch, there have been old accounts cropping up (some of them are from as far back as 1935 and all the way in between) from people who claim to have done road work, and never got their pay. There is plenty of those old accounts.

Mr. Speaker, the Leader of the Opposition also mentioned what he called increased 'taxes' on fish, fur and timber. First of all, I would like to offer the corrections: these are not taxes. These are royalties – and fish, fur and timber are part of the public domain and the fur and the timber; and that public domain is the property of the people of the province and should be, when it is disposed of, sold at the proper value. I would again point out that although there has been an increase in the royalty on timber, the \$3 or more royalty on timber which was in existence in 1935, was in reality a much higher price than \$4, \$5 or \$6 per thousand is for that same timber today, taking other things into consideration.

I wonder also if the Leader of the Opposition criticized the Government for increasing the dues, increasing the royalty, on the minerals of the province and as a result getting many hundreds of thousands of dollars more out of the production of minerals at Flin Flon? He did not refer to that as 'taxes'. But he could have done that when he was over here on this side of the House.

He said also that there was not a nickel of the increased expenditures in the Budget coming out of new enterprise. Well, Mr. Speaker, when they were over on this side of the House, there was not a nickel towards the budget coming out of any of their enterprises either – and they were new; but since they have departed from this side of the House there are some real profits being made, some real money being made, in some of the older enterprises as well as now in some of the new ones. If the Members of the Opposition expect that the starting of various industries and enterprises in this province would within one year, begin to produce tens of thousands, or hundreds of thousands of dollars to go into the general funds of this province, they are more credulous than I though them to be. I can remember when the Government Insurance office was started, the members of the Opposition – how they talked about that \$12,000 (was it?) that was first advanced, and that it was not enough and that nothing could be done with it. I would remind them that that was the money that started the Insurance Company and that has been paid back to the Treasury again./

I want, also, now to say a word or two about a fairly famous section in The Rural Municipality Act, that is Section 198. First of all, I want to refer to a couple of statements in editorials in the Leader-Post. One of March 5<sup>th</sup>, under the heading "Problems of Local Government": in discussing Section 198, the editor of the Leader-Post says:

It requires a petition of 40 per cent of the ratepayers to end such payments. (That is the payments made to the United Farmers of Canada).

Again on March 10<sup>th</sup>, in another editorial the Leader-Post says:

To stop further payments it is now necessary for 40 per cent of the ratepayers to petition their council.

Mr. Speaker, I presume (and I think that I am fairly safe in presuming) that the editor of the Leader-Post can read and that he can do a fairly good job of understanding; but why a newspaper wants over and over again to repeat misrepresentations, absolute misrepresentations, is more than I can understand, unless they have adopted the same policy that Hitler adopted of repeating a misrepresentation over and over again in the hopes that many people would believe it. Because that is not true. It is not a matter of opinion. It is not a matter for argument. Under Section 198, if the municipality makes a contribution to the UFC they may or may not, next year, without any petition either way cease making that contribution. The Leader-Post knows it, and yet the Leader-Post persists in misrepresenting things.

While I am dealing with this question (and I think this is fairly important in the Province of Saskatchewan, I want to refer to another editorial which was in this morning's paper, I believe. Yes, March 11<sup>th</sup>:

The man they never forget.

Listen to this, Mr. Speaker:

Unfortunately Mr. Fines has not yet finished with him, (this is the man that he is not supposed to forget). There is still a little matter of \$1,300,000 involved in the Highway Accident fund Plan, so that all in all the man who is reckless enough to drive an automobile is expected to pay up \$9,800,000 for highways past and present which in fact cost Saskatchewan \$8,405,000.

Now, if anybody except the editor of the Leader-Post can do a better job of adding up two and two to make five than is done there I would like to find him. The fees under the Automobile Accident Insurance have nothing at all to do with either the gasoline tax or the motor licence fees and they are payment for a service which is entirely different altogether; a service to give protection to the people of this province and a service which they appreciate. I cannot help but think, Mr. Speaker, it is bad enough when you have most unreasonable arguments; but when the editor of a paper, in cases where there is no room for argument, where it is a matter of pure facts where they will distort the facts and make wrong statements, I cannot help but think that kind of journalism is a blot on the history of journalism. But I do not want to be misunderstood, Mr. Speaker, I am not asking that the Leader-Post be put out of business, because I think we had better keep it ...

**Mr. Valleau:** — I would like to hear them squeal!

Mr. Brockelbank: — ... keep it right here in the Province of Saskatchewan,

because it has a good effect. There is still some good effect in having a 'horrible example', and, just as an example, the Leader-Post may deter some other journalist from falling into that terrible position. I think it is worth whiled keeping at this time.

Of course, the reason why the Leader-Post attacks Section 198 is not because they care a scrap whether it is democratic or whether it is not democratic; whether it is compulsory or whether it is not compulsory. The only reason that they attack Section 198 is because the Leader-Post and I can say, too, a good many people in the Liberal Party, do not want to see the farmers build a strong organization here in Saskatchewan of their own. They are opposed to an organization of labor and farmers which will be effective for those people in looking after their rights, and they collect a lot of allies, but I am not on their side.

Mr. Speaker, on February 25<sup>th</sup> last, the Provincial Treasurer read in this House a statement, which you very well remember, proposing that the Government was willing to levy a two-cent tax on farm fuel and to hand over the money to the rural municipalities in the form of grants. The only object of the Provincial Treasurer in reading this statement in the House, at that time, was to give to that matter a certain amount of publicity so that the municipal councillors, who were coming to the convention at Regina, could talk it over with their councils, could talk it over with their neighbors, could look into the whole question. It was not possible at that date to get out many details of the plan that could be worked out. The Executive of the Association was quite well aware that I intended to discuss the details of the plan at the convention, on the first night of the convention. Nevertheless, the convention proceeded to deal with a resolution on the gas tax question, on Wednesday afternoon.

Now, it is entirely the privilege of those people to deal with that if they like, but I was disappointed that they did not manage to arrange their agenda so that they could hear the different sides of the story before they decided to make their decision on the question. I want it understood that I am perfectly well satisfied with the decision that they have made. They had in that offer the chance to get grants for the construction and improvement of roads in municipalities, which would have averaged close to \$5,000 per municipality. That is more than 20 times what some municipalities got in some years when my friends across the way were in office.

**Mr. Danielson**: — What did you give them?

**Mr. Douglas**: — \$800,000 a year.

Mr. Brockelbank: — Some municipalities would have received a good deal more than that, some a little less; but on the average it would have been a very substantial grant. As I say, I am satisfied with their decision and I certainly hope that the municipalities will be satisfied with the decision they have made on this question, too. And again I feel, Mr. Speaker, that I must refer to a news item in the Leader-Post.

Before I mention this, I will say that you all have had a copy of the speech, on your desks, that I made down at the City Hall, and you will remember from reading that speech (if you did not hear it), that the whole question was conditional: if the

municipalities in convention wished to recommend this tax. Then, in the discussion period questions were asked, and we were continuing discussion about details of the tax – but always prefixed by that condition, 'if the municipalities approved of it'. Nevertheless, the Leader-Post comes out with this headline: "Province to Tax Gas, Farm Fuels; Two Cents Imposed April 1<sup>st</sup>, and they went on to say:

When the Federal Government steps out of the gasoline tax field at the end of March, the 3 cents per gallon federal tax will be removed but the Provincial Government will put a 2 cent tax on gasoline and farm fuels, the Minister of Municipal Affairs, J.H. Brockelbank, said, Wednesday night, to the convention of the Saskatchewan Association of Rural Municipalities.

Mr. Speaker, I cannot deny that, when I read that on Thursday morning, I got a little bit hot under the collar, because I did not say anything of the kind. I wondered if it were possible that there were delegates at that convention who misunderstood what I had said, and during the rest of the convention I kept my ears open and asked some questions to find out if there was anybody else except the editor of the Leader-Post who misunderstood that, and as far as I could find out, there was not anybody. Everyone understood that this was a conditional question.

Well, I prepared a correction and the correction was put in the paper all right, and the heading was on the front page; but before they came to my statement, again they repeated that I said there will be a 2 cent tax on fuel, not just agricultural fuel. They go down in the article so far, and they had about three lines left on that page, and they start my statement, then it is "turn to page 14" – and my statement, in correction is buried on page 14.

Well, Mr. Speaker, I see through this thing. It is probably too late to see now, but it is better to see late than never. There were people who were continually carrying a campaign at that convention in this manner; who were saying to the delegates, "don't support this, because the Government is going to put it into effect anyway"; and the Leader-Post was backing it up. If they did not accidentally misunderstand it — and it would be awfully hard to believe that an editor of a daily paper like the Leader-Post could be so dumb as to misunderstand it when no other delegate at the convention misunderstood it — then I cannot believe anything else but that it was done purposely, to get as many as possible of the people at the convention to believe that the tax was going into effect anyway, so they would vote against it, and turn it down.

There are people, Mr. Speaker, who would much prefer to make a bit of political gain at the expense of the municipalities and the people of this province than to have something which this Government suggests go ahead, be put into effect and be successful.

**Mr. Patterson**: — Mr. Speaker, is he suggesting that the delegates attending this municipal convention were more concerned with some political advantage than they were for the welfare of the municipalities they represented?

**Mr. Buchanan**: You are speaking on behalf

of the Leader-Post.

**Mr. Brockelbank**: — I am more than suggesting. I am sure that there were people 'lobbying' at that convention (some of them might have been delegates, and some of them were not) who were more interested in making a little political capital than in getting something put across that would be for the benefit of the municipalities. Not even the editor of the Leader-Post could misunderstand that.

Mr. Speaker, we have been accused of Ministers talking politics in this Legislature. That makes me laugh. I have seen quite a few Ministers in this House and I never yet saw one who did not do his best to talk politics. My hon. friends seem to think that politics is something sinful. Maybe it is – by their conception; but it is not my conception. However, I am not going to continue talking politics now, unless we take the work 'politics' in its broadest sense to be the art of science of government, of looking after our affairs; because I am going to deal for a little while with my own department, the Department of Municipal Affairs.

Mr. Speaker, and I can say also Mr. Premier, I want to say that there is no work of any department more important than the work of the Department of Municipal Affairs. I want to say this, Mr. Speaker, (and I am getting opposition on my side of the House now, apparently), because many of the things which my colleagues do and have achieved in this province, which are excellent things, would be a great deal more difficult, and some of them impossible to put across, to accomplish, if it were not for the local Government. Let us not bother as to whether or not local government is the foundation of democracy. In my opinion it is essential to democracy in any state or province that is nearly as large as our Province of Saskatchewan. To do all of the things that are necessary from a centralized government would be entirely out of the question. The co-operation of the municipalities with the Provincial Government and with the Federal Government is essential in carrying out many of the programs. I do not think that we should forget that. And I would like to ask the Members of the Legislature to pay some attention to the report which you now have of the Department of Municipal Affairs, because I think in understanding the work of our municipalities we can better understand the problems in our Province of Saskatchewan.

I cannot, on this occasion, pass by without having something to say about the question of re-organization of rural municipalities. This House is well acquainted with the history in this connection. You will remember that, first of all, the Saskatchewan Reconstruction Council recommended the appointment of a committee to study this question. Then the convention of Rural Municipalities two years ago, endorsed that recommendation. The Committee was appointed with Professor Van Vliet, of the University of Saskatchewan, as Chairman. On the Committee were Mr. Woods, the president of the RM Association; Mr. Roy Davis, one of the Secretaries; Mr. Frank Eliason, of the UFC; Mr. Harold Moss of the Soils Department; Mr. Jacobs of our Department, and Mr. Lane of the Local Government Board and Professor Foulk of the University, have been assisting the Committee with technical advice in their own special liens. The terms of reference given to this Committee were fairly broad, including, among other things, "such other matters as in the opinion of the Committee

may seem pertinent to the subject under investigation." So the terms of reference were broad. But I do not think anyone on the Committee, or in this House, realized two years ago, just how broad and how big this question was. They did not realize just what the Committee was going to find.

Though the Committee has not been working at it as steady as I would like them to, because of the other work of certain members of the Committee (particularly the chairman), they have made some progress. We could have had a report from the Committee some times ago, if we had told the Committee to stay to the very narrowest interpretation of the terms of reference. We did not do that, and I do not think it would have been good to do it. We wanted that Committee to make a thorough investigation and to make some recommendations that would be worthwhile and I believe they are going to do that. In spite of all the talk about this (there have been some people trying to make political capital out of this question of re-organization), the study is going to be well worthwhile and will make it possible for steps to be taken to establish better units of municipal government here in the province.

As a matter of fact there are several places in the province now where the councils and the people are urging me to take the necessary steps now to step up new units; but we cannot very well do that until we get the report of the Committee. When we do get that report and when policy is formulated, we will allow them to go ahead just as rapidly as possible.

Now if you will pardon me a moment, Mr. Speaker, I would like to refer again to this report of the Liberal Convention on page 31.

**Mr. Procter**: — I will send you a copy of your own.

**Mr. Brockelbank**: — Yes, I would appreciate having a copy of this, if I could get one. On page 31, this book says:

Changes in the boundaries.

This is under the heading of Municipal Government:

Changes in boundaries of local units will only be made after consultation with the units affected, or after a vote of the ratepayers concerned.

Again I say, Mr. Speaker, there never was anything written down to mean less than that means, because all the municipalities have already been consulted, and so the conditions are all fulfilled, if we were following along that plan.

**Mr. Danielson**: — Do you think it the right thing to leave the municipalities to make their own boundary changes?

**Mr. Brockelbank**: — Mr. Speaker, in answer to that I think the best way to answer is to ask him a question and I would put it this way: if you have a municipality and bordering on that municipality there are two or three townships of land and the people in those two or three townships want to come into this municipality, but the people in the municipality would vote against it,, does my

hon. friend think it would be fair to submit it to a vote of all the people in that area? Yes? That gives him the answer. If he will answer that to himself, honestly, he will get my answer.

Now, Mr. Speaker, I have here a copy of the monthly letter of the Bureau of municipal Research, published in Toronto. It is not very often that I go to Toronto for evidence, but this is in November, 21946. There is just one interesting little paragraph here on this question of municipal boundaries. It refers to the urban area in Toronto, but even in spite of that, there is the parallel in principle. This new letter says:

No one could possibly believe that if there were no municipal government in the Toronto area and if the authorities were not be established and boundaries laid down, they would be exactly as they are now. Everyone knows in Toronto that if they are now under the conditions which exist now and under these circumstances, that to draw the boundaries there for municipal government, they would be entirely different from what they are now.

I think we can say the same thing about the situation here.

I have in my hand also a copy of the Goldenberg Reports and this Goldenberg Report deals in a limited way with the question of boundaries of municipalities. My hon. friends may quote something else from this, but I guess they will not mention this one. This is what Mr. Goldenberg reports:

While the legal provisions governing the incorporation of municipalities were at the time of their enactment determined by the physical features and population distribution of the province, they have not kept pace with developments in governmental organization and functions. Small units fail to correspond with present day economic and social realities, and are not appropriate for the performance of important governmental functions which require larger units than the average municipality. This fact has been recognized by the establishment of large school districts (even in British Columbia, Mr. Speaker) and health units without regard to municipal boundaries.

## Then Goldenberg says:

I am of the opinion that larger units are also required for the provision of social welfare services and may be required for other services.

He may be right or he may be wrong. That is the British Columbia report, the Goldenberg Report. I just want to point out to this House that there are a lot of people who have studied municipal government, who believe that there should be some adjustment in municipal boundaries.

Our municipalities in the province are probably in the best economic position that they have ever been during their history, and they are in that position because of fairly good crops recently, because of high prices due to the effect of wartime, and partly because the municipalities have had some considerable responsibilities taken off their shoulders by the Provincial Government. We could also give some credit to the Federal

Government (this will make my hon. friend over there really smile), because insufficient as the Prairie Farm Assistance Act may be, it has still done a useful work and has taken the rough edge to a certain extent off crop failure and has meant a considerable difference for municipalities. That does not say that it is perfect, or that we should stop there – and we shall not stop there. But from the Provincial Government, in the matter of removal of debts, the Provincial Government paying, instead of the municipalities paying, in the matter of additional services given in the municipalities by way of hospital construction, medical services grant, additional school grant – all of these things – medical services and hospital services to old age pensioners and recipients of Mother's allowances, this Government has actually taken over some place between \$8,000,000 and \$10,000,000 worth of debt – loan and services, which either would not be taken care of at all (that is what happened when the Liberals were in power, it was not taken care of at all), or else the municipalities would have to shoulder that load. That is one of the reasons why our municipalities in this province are better off than ever they were before. That is one of the small reasons why they are able to step out and buy better road construction machinery than ever before.

Now, in discussing municipalities and the economic position of the municipalities, I want again to go to the Goldenberg Report on British Columbia. On page 56, dealing here with economic considerations under the heading of "Municipal Taxation", Mr. Goldenberg says:

It has been suggested to the Commission that the tax on real estate be reduced and that the revenues thereby lost might be replaced by the proceeds of a retail sales tax. Apart from the fact that a sales tax is not a suitable municipal tax, except in large metropolitan areas, I am of the opinion that the imposition of a retail sales tax in order to reduce the burden on real estate would benefit only persons with large real estate holdings. The small home-owner, the wage-earner, the farmer, and the small business man, would lose considerably more than they could gain.

Now, Mr. Speaker, we do hear a great deal about the land (the real estate) tax being too high – too much real estate tax; and with people who own considerable real estate it is naturally a very popular cry; but Mr. Goldenberg doubts the validity of the argument. He goes on to say:

The real estate tax has been subject to widespread and organized criticism over a period of many years. It is by no means a perfect tax; but having regard to the fact that it is one of the few taxes that can be successfully imposed and administered by municipalities, that it is a very productive tax and is widely diffused and that municipal services definitely confer special benefits on real estate, it is inevitable that the taxation of read estate will continue to be the mainstay of municipal finance.

I wanted to bring that to the attention of the House, Mr. Speaker, because there are some people in the Province of Saskatchewan, now who are even talking about being able to do away with real estate tax altogether. Well, it would be very nice if we could do away with all taxes. It would be a very

happy world. The only trouble would be, I do not know what the Members of the Opposition would have to kick about if they did not have some taxes.

Now, to go on to another branch of the department, I want to refer to the Community Planning Branch. As this House knows, a new Community Planning Act was passed, two years ago. In the year 1946, 320 plans of subdivisions were approved in the province. About a third of these were of substantial size and probably two-thirds of them were fairly small subdivisions. Under this work, there were 30 open-space areas, averaging two-and-a-half acres apiece, dedicated for the use of the public. There was one re-plotting job of 250 acres and another of 160 acres.

Sometime, years ago, when city property was subdivided and surveyed, it was done with very little regard to development and proper planning, with the result that we had, in some places, rather a confused and chaotic condition of subdivisions. That is the reason for undertaking these re-plotting jobs under this new community Planning "Act. Four cities in the province have zoning bylaws and ten towns and 30 villages have zoning bylaws.

With regard to that new Community Planning Act I want again, if I have done so before, to pay a compliment to the man who was instrumental in preparing that Act, that is Mr. Stewart Young. Walter H. Bleecher, executive director of the Associate of State Planning, Chicago, Illinois, wrote to Mr. Young and he said:

We are very glad to have the incline of your legislation. I do not know of any legislation in the United States which is comparable to your replotting legislation.

Now, Mr. Speaker, community planning has a purpose. It is not just for fun. To this House, I do not think I can do any better than to say that community planning is to develop the community in such a way that it will make the greatest social and economic contribution to the welfare of the people. It will be interesting to the House to report to you one statement made by Mr. Young when he was at the Canadian Community Planning conference in Ottawa, last June. During the discussion period this is what Mr. Young said:

Mr. Young warned against any piecemeal approach and stated that the activities should be presented as a comprehensive and purposeful one, purposeful socially and economically as well as physically.

When we have people that understand the purpose of the work they are doing, I think you can expect to get good work – and we are getting that good work.

In the department, we have a Municipal Auditing and Accounting Branch. The auditors of the rural municipalities are either members of a recognized society of accountants or auditors who have obtained a certificate from the board of examiners of the department attached to the Department of Municipal Affairs, who are professional auditors whose qualifications have been determined by other competent bodies. In towns there are chartered accountants who are doing the work. In villages a substantial number have their work done by chartered accountants; some have local people do that auditing. The financial statements are prepared by such auditors and the auditor's statement prepared is submitted to this branch of our department where it is

closely checked. In the past year, in six cases, properly qualified auditors were appointed in six villages to review the work done by local persons. One of the big jobs of this branch of our department is to see to it that our municipalities, in their accounting, keep on the right track. The details of the work of auditors is set up for them by the department.

From these reports there are a great many statistics which are prepared and published in our annual report, which makes possible a very valuable comparison of municipalities throughout the province. We have increased the amount of information which is available in this latest report which you now have.

During the past year the board of examiners has held two examinations to determine the qualifications of candidates for rural municipal secretary-treasurer. A number of candidates were successful. In passing, I would point out to this House, too, that there are 55 ex-service men who have been placed in rural offices as trainees. As they qualify, secretaries of advanced age (and we have quite a few of them in the province) will be retiring and they will be able to take their places.

We have also in the department the Inspection Branch. There are five inspectors. The object of the Inspection Branch is to make a complete and thorough inspection of each municipality, except the cities, at least once a year. During the past year we have not been able to do that, because two of our inspectors have been occupied full-time with checking the 1938 seed grain accounts for the purpose of making the refunds. I might inform the House that the check is now made in 211 municipalities leaving 92 yet to do. The Treasury Department has passed for payment the accounts of 199 rural municipalities involving 11,025 applications for refund, with a total disbursed to date of \$947,000. This work of checking these accounts will take another four months, probably five, to complete them.

We have in the province one rural municipality where there is an administrator in charge of that municipality; that is RM No. 465, which is definitely a municipality that is badly located and unable to operate effectively as a municipality. There were during 1945 and 1946, eleven villages under an official counsellor, and one of them is the ghost village of goldfield. There are only five villages down in the central part of the province where there is an official counsellor in charge.

Now, Mr. Speaker, we also have in the Department the Assessment Commission. I would like to take a little time of the House to say a few words in regard to the work of the commission. In 1946, the rest of the RMs were reassessed; that is eight of them. Five LIDs were reassessed and three LIDs were almost completed. From the report, you can get the details for previous work. To date now 315 RMs and LIDs have been reassessed. In that group, there has been a reduction in the assessment of over \$230,000,000. I would point out to this House that at public revenue rates of two mills on the dollar, that means that we are taking quite a lot less out of municipalities in public revenue tax than our predecessors took out of the municipalities. The 1945-46 assessments of RMs, the total assessment, was \$618,250,000. It used to be pretty near \$900,000,000.

The Commission reinspected 1,748 parcels of land. That in itself is quite a job. There were 70 appeals from towns and villages which were from the Commission and RMs and 587 appeals

from local improvement districts. In local improvement districts the appeal is direct to the Commission, rather than to a court of revision of the council.

Going into effect, this year (and it will be in full effect next year) will be a zoning system of the province and there will be one or two resident valuators in each zone of the province. Their job will be to maintain and improve the equity of the assessment which has now been established. We think that is the best way that it can be maintained. It will not keep by itself. If you leave it alone, it will be only a matter of a few years until that assessment will be out of line probably as much as any other assessment that has been in existence in the past.

I would just like to say one more word in that connection. The valuators in the Assessment Commission, some of them were farmers without any particular scientific or technical training, but many of them have had either a degree in agriculture from the University or a part of the course. All of the men we are taking on now are required to have certain subjects all in that degree course, so that they can understand the business of soil classification and valuing of soil. I think we have in that group of men probably the best group of farm land valuators that can be found any place on this continent. As a matter of fact we have a little trouble just watching to see that the mortgage companies or somebody else does not steal them away on us. We also, of course, have undertaken assessment in the urban areas. There has been now one city assessed, and 132 towns and villages in the province.

We carried on, during the past year, a small work-and-wages program in the dried-out area of the province, in 29 RMs and LIDs. It was a work-and-wages program which enabled at least a few people to get work to earn a hundred or two hundred dollars so that they would not find it necessary to apply for social aid.

Now, Mr. Speaker, I want to turn for a few moments to the Local Improvement District Branch. There are 84 Local Improvement Districts in the Province of Saskatchewan: 20 per cent of them in the south and the balance in the north. The southern local improvement districts are partly (in some cases, largely) thinly settled rangelands. In the North, some of the Local Improvement Districts are now pretty well developed, very good farming communities; but some of them are only partly settled, or are in very much of a pioneer condition.

Before I go to deal with the LIDs in general, I want to say a few words about the Green lake settlement. Green Lake is located northeast of Meadow Lake and northwest of Big River. It is about 50 to 60 miles from Big River and about 40 to 50 miles from Meadow Lake. It is right at the cross roads where the traffic comes down from Ille a la Crosse in the north and comes through Green Lake and the n either to Meadow Lake or Big River.

That settlement, ads I have previously told the House, is all Metis people, except for a few people who are in there to give particular service to the community.

These Metis people, during the past year, have really shown wonderful ability in the work which they have been doing. A children's shelter was constructed there. All of the labor was

local labor, except the one boss builder. The building is fully modern; is insulated; is plastered inside. Not only have the people been apt in doing good woodwork, but they have also done the plastering and though some of these people never had any idea of plastering (except chinking up a log shack with mud) before in their lives, after a little bit of practice and a little bit of instruction, they are able to handle the plasterer's trowel and to do an excellent job.

There is this children's shelter. We moved in a building and remodelled it and finished it for an RCMP barracks there. There is now a member of the police force stationed at Green Lake. We built a new LID office. Our old office was taken over by the Department of Natural Resources (it was better suited to their purposes than to ours) and the finish on all of these buildings is indeed very excellent. They are now building a four-room school and that will probably some time early in this year, be completed and ready for operation.

All of the lumber in these buildings is from the native timber grown right there, with very rare exceptions; the finished lumber and everything else. There may be some flooring taken in but I doubt if there is very much even of that and some of the special stuff; but it is nearly all of a local product.

The Central Farm at Green Lake, with 350 acres under cultivation is still being carried on and our income from that farm was better this year than it has been in the past and we hope to make that a good deal better yet. On that farm we have something new in the form of a reforestation project. Last spring, there were 250,000 white spruce seedlings planted out there in beds. We will carry that on; and there are burned-over areas in the vicinity where they can be planted out in the course of a another two or three years to reforest. It is our hope that we can keep that area in a state of perpetual yield so that there will always be an opportunity for lumbering, there will always be fishing, there will always be fur besides the agricultural activities.

Nine hundred thousand board feet of finished lumber were produced last year. In the roadwork, there was 10 miles of clearing, filling, grading and regarding of roads. The Minister of Natural Resources reserved a block for trapping for these Metis people, the fishing in Green Lake was reserved. The Metis people live on 40-acre plots and we are now, with the co-operation of the Land Branch, getting security of tenure for those residents on the 40-acre plots. And they want that. That is one thing that has been worrying them, because when they have been working on building a good shelter, a good office, a good house, and barracks for the mounted policemen, they begin to want better houses themselves. They get some lumber. They tear off the sod roof and put a lumber roof on their own house. They line it up, put a ceiling on it, put in floors or better floors and there is a very definite improved standard of living in that area. We have a number of children who live out at Central Farm, which is four or five miles away from the school in the village and we have a school van there which takes the children to school every day.

Those people have also elected an advisory council. They have their meetings and by secret ballot they elect an advisory council to work with our inspector in dealing with the various problems in that settlement. They make suggestions and they

work together.

The Saskatchewan Film Board, as the result of taking the matter up with our inspector and with the advisory council recently, went in there with a picture show of some of the Saskatchewan Film Board pictures. At the first show there, 275 people attended. We have a fairly good hall there. Now the Saskatchewan Recreational Program is being extended into that area.

I believe that we are showing that the Metis people are able to make their living, are able to do good work, and that they are people who can be regarded as very valuable citizens of this province. This whole program has had the effect of cutting down the number of people who are receiving social aid to almost one-half of what it was three years ago.

Now, to come back to the LIDs in general, Mr. Speaker, in the LIDs we have ratepayers' committees wherever the people care to organize them to work with our inspectors. As everyone in this House knows, in the local improvement districts we have the same responsibility, just about, as a municipality has: road and bridge construction; drainage; taxation; assessment; collections; social aid. We even handle orders for fodder in those areas and general services. There are the school taxes to collect and health region taxes, hospitalization taxes and so forth.

Now, just briefly, I would like to give the House some information from some of the reports from the LID Branch, just to bring things up to date.

During the year, there have been 627.5 miles of road cleared. That, of course, was all in the North, because there is no clearing to do in the South. There were 361 miles of new grade; 20.5 miles of ditching or 130,000 cubic yards of ditching. Incidentally, I might mention that we own our own dragline and that dragline with some boys operating it, two or three of whom came out of the Forces, (they had not much experience with draglines before) was a good machine; they had a good man to get them started on it; they have been moving dirt out of those ditches just about as cheap as any dragline could possibly do it. As a matter of fact, it cost us 12.5 cents a cubic yard. There has been over half a million cubic yards of filling; 771 new culverts; 232 repair jobs on culverts; 64 new bridges constructed of various sizes; 83 bridges repaired and work such as that has been carried on through all of the LIDs.

Now, Mr. Speaker, I want to say a word also in regard to tax collections because I think that there has been a fairly good job done by our staff, with the co-operation of the people, in this matter of tax collections.

In the northern Local Improvement District, in 1942, the collections amounted to 86 per cent of one year's levy. In 1943, that was up to 104; in 1944, it was up to 110; the next year 108 and in 1946 we collected over 115 per cent of one year's levy. The arrears have shown a corresponding decline. In 1942 there were arrears almost to the extent of three complete years' levies. That is down now to about 2 ½ years' levy – that is in the pioneer area in the North to a very great extent.

In the south of the province, the high point in collections was about 1944, when pretty well all the arrears were cleaned up.

so that now we are actually only collecting, together with discounts and so forth, about one year's levy. The arrears there in the south are less than one year's total levy.

Now, it might be interesting to know what we have been doing in Health Region No. 1, because in Health Region No. 1 we have quite a number of LIDs. They have the job of collecting taxes in that area for the Health Region. The levy was \$22,847, and of that amount we collected almost \$20,000 and left arrears at the end of the year of only \$2,768 out of the \$22,847. There was only 12 per cent of the levy in arrears at the end of the year — and that was not a particularly good year for collection of taxes. In connection with the Saskatchewan Hospital Services Plan we also had the task of collecting the tax in the LIDs both North and South. I do not know (I have not got the information) how much the total amount due on that tax would be, but we have collected nearly \$100,000 in the LIDs to date.

Another job is to get on with the collection of the old debts, or adjustment of the old debts, of these settlers in the LIDs. I have dealt with that question very often in the past. Now the old re-establishment and land settlement accounts can be settled on the basis of dollar for dollar. If anybody pays a dollar on that account, he gets credit for two. There has been a cancellation of all the old relief accounts. There is the reduction in the 1938 seed grain and there will be, if this Legislature so wills, a cancellation of the 1935, 1936 and 1937 seed grain. these are on a compromise basis. These people who were hopelessly in debt a few years ago are showing that they can pay and are paying off those debts and getting clear; and we had nearly \$50,000 or these debts that were handled on that basis in the past, from may 1<sup>st</sup>, 1946 up to the present time.

**Mr. Procter**: — In regard to 1935-36-37 seed grain cancellation, is it the intention, or can you tell us, if there will be any refund to the men who paid their seed grain?

**Mr. Brockelbank**: — Mr. Speaker, that is not connected with the subject under discussion; but as far as I know it has been announced – in fact, I announced it at the convention, the other night – that there would be no refunds.

Now, Mr. Speaker, we have been carrying on a breaking and clearing program and in 1945-46, our clearing and breaking program amounted to \$41,000. that is actually in 1945. In 1946, it has amounted to \$145,000, that is 1946-47; and there may be even some added to that yet, because there may be accounts come in yet right up to the end of this fiscal year that will be added to that. There were over 11,000 acres broken under that plan, almost 12,000 (11,921) and it is interesting to note that even with the bad frost conditions in the North last fall (which was damaging to crops), out of our 1945 advances of \$41,000, we were able to collect almost \$8,500. Now I do not think that is very bad at all under those circumstances, because we estimated that if we got this cleaned up in three years we would do very well.

Another interesting thing about this is the applications. We had 1,375 applications for breaking assistance and all of these settlers had five years or more in that area as settlers. There were 97 of them with less than eleven acres under cultivation; then there were 188 with eleven to twenty acres; 201, with 21 to 30; 260, with 31 to 40; and the largest single group,

275, with 41 to 70 acres under cultivation out of those 1,375.

I think that will illustrate to the House that it is absolutely essential, if these people are going to be self-supporting, that they have the means whereby they can get more land under cultivation. We also administer social aid ...

**Mr. Procter**: — Are there any limits on how much you break for a man?

**Mr. Brockelbank**: — Twenty acres in any one year.

**Mr. Procter**: — Twenty?

**Mr. Brockelbank**: — Yes. We think that 20 acres of breaking for the average settler, because he is not like a big farmer with lots of power, will be about enough work for him to take care of – take the roots out of it and work it down and get seed for it.

We administer social aid in the LIDs. There is a decline in the number of people who are receiving social aid; but only a slight decline; because most of these people are people who are incapable of working and making their own living.

Now, Mr. Speaker, this may be a pretty long speech, but it is a fairly short review of each branch and I did want to give to the House some pictures of the work of the Department of Municipal Affairs and its various branches.

I want to say another word about LIDF administration. The objective of that administration is not to set it up to maintain it in that form forever, but to pass over to the local people control of local affairs as far as possible and to do it in two ways. In some areas, in the not too distant future, we will be able to give to them full privileges of local self-government under our Rural Municipal Act. In other areas we will be able to establish more of the controls in the office right out there in the country and through the development of these ratepayers' committees, thus give a greater voice to the people in the conduct of their affairs.

Now, to the staff of the LID Branch, in particular, and to the whole department – I have said something about the others – but I do want to say this about the LID Branch: with the introduction into the LID branch of several new things – The Provincial Hospitalization Act, the Health Regions, Union Hospital Districts, Medical Services – there has been a tremendous amount of work this year. It has been continual change, and continual new projects and the staff of the Branch, from the administrator right through, deserve a good deal of credit for the work they have done. For the coming year ...

**Mr. Procter**: — Just before you leave that point; have you developed any change in these LIDs in the southwest, or are they among the ones who have to stay?

**Mr. Brockelbank**: — No. I believe now that the LIDs in the southwest can very well be municipalities on a proper area basis. I do not think they will have to remain as LIDs. They may want to -I am just afraid that we are using them too well and they will not want to be rural municipalities; but my friend over here will

help me when it comes to forcing people to control their own affairs. I know he would help me to be a dictator then.

**Mr. Procter**: — I am not so sure of that.

**Mr. Brockelbank**: — In the coming year, Mr. Speaker, I was just going to say in closing, in our Department we are going to have lots of problems and whatever they may be – whether it is reorganization of municipalities, whether it is something new in assessment, or something new in the local improvements districts – in all branches we intend to go forward and to make progress in the Department of Municipal Affairs. Mr. Speaker, I shall support the motion.

**Mr. H. O. Hansen** (Wilkie): — In speaking in the debate this afternoon, Mr. Speaker, I want to refer to the constituency of Wilkie. I want to do that inasmuch as I have not taken part in any of these debates before, that is either the budget or the Throne Speech Debates.

Before I do so, however, I want to congratulate the Provincial Treasurer on the Budget he has brought down and on the very fine speech he made in bringing it down. One might say that his speech rang with optimism and I think that is a very good sign. I think it is a good sign when the Provincial Treasurer, with the job that he has to do, can look with delight on his work and be optimistic as to the future.

Now then I want to refer to the constituency of Wilkie, and more or less do that in a general way. I do not need to say to the Hon. Members of this House that that constituency is largely a grain-growing area; but it is not the best type of soil. We did try for a number of years to raise some pigs for we could not get rid of our grain the way we would have liked to – and we had a lot of it on hand out in that area. But when the time came we could get rid of our wheat and our course grains, and there was little left, after working a whole year trying to raise pigs but with the small, we decided to go out of it; and very few people are now raising pigs in that constituency.

I said it is not a good land area and that is true. We have very little of the real heavy land, only a few spots; and the Hon. Members will know what the situation is when I say that we have a constituency of 12 townships with an assessment as low as \$1,100,000 and the highest assessed municipality in that constituency is \$2,600,000; so the average is less than \$2,000,000. The Rural Municipality of Redford, from which I come, has an assessment slightly over the average and yet last year the PFA bonus was being paid in every township in that municipality. Crop yields were as low as two bushels of wheat and no oats at all in some areas.

The constituency of Wilkie is noted for a few other things these days besides farming. A couple of years ago, gas was struck and the town of Unity has now, for over a year, been served by natural gas. It is being piped in there from the Muddy Lake country. There is talk of piping it to Saskatoon through Wilkie, or through Wilkie to North Battleford; and that would be about the capacity of the field. If the field is to last for, say a period of 20 years, it cannot serve more than one town and one city more than it is now serving.

Then too, in the constituency of Wilkie we now have that large salt deposit that was discovered within recent months. I notice that the Government is being chided for turning it over to private industry to develop. I wonder what the opposition would say if the Government was to sink over a million dollars, or around a million dollars, of the people's money into a venture of that kind, into the solution-mining of salt at a depth of 3,400 feet with a very competitive market to deal with.

On the other hand, potash has been discovered in the same constituency; and I understand that a lot of it is under the salt beds. But potash is in a different field than is salt, inasmuch as it is not in the same competitive market in that we have control of a good deal of the potash market in the Province of Saskatchewan, if the field is as extensive as we have been told it is.

I might, of course, raise the problem that the salt should not be solution=mined inasmuch as the solution might contaminate the potash. Well, that is something to be worked out. It might prove that we should sink a shaft to get the potash and salt out at the same time and get away from the contamination that might result from mining the salt through solution.

I am sure it will delight the Hon. Member for Arm River to learn that we have in the constituency of Wilkie some of the finest co-operation institutions in the Province of Saskatchewan. The one at Landis, that I helped to organize in 1929, is an up-and-coming institution and it is not a hotbed of political intrigue even though all the directors are believers in the Co-operative Commonwealth. They have an eye to the future as have all good co-operators. I might say to this House that long before there was a CCF political movement, I had heard of the Co-operative Commonwealth, and I have looked to that end ever since I reached maturity, and got into a political movement in order that it might be hastened. Then there is a large co-operative store and garage at unity, also in the constituency of Wilkie.

Mr. Speaker, I think, at this moment, it would be well if I said something with respect to the work that has been done regarding the rehabilitating of the people that have returned from the Armed Services to the constituency of Wilkie, and particularly the town of Wilkie. Commendations have come in from all over Canada for the work that has been done by the Rehabilitation Committee in that town. It was organized a couple of years ago and the rural municipalities and the town of Wilkie and the service clubs in the town decided to finance it.

Not only did the people of that community think it was a good idea to welcome back the service people, in that they had seven 'Welcome Home' parties, but they also thought that they should do whatever they could to rehabilitate them. Before I came down to this Session of the Legislature, I had occasion to speak to the chairman and secretary and they said that there was not one unemployed as far as the service people were concerned; that all of them had been established. There were 404 enlistments. There are now 262 residing in the area from those enlistments; 132 elsewhere; 13 still in the service; 32 fallen and 35 newcomers. A complete filing system is kept of all the service people, whether they are newcomers or whether they have moved to other area; and at a glance the secretary can turn up the name and number of the returned service person and see where

he or she is residing, what they are doing and so on. All in all, it has been a very interesting and worthwhile undertaking.

I want to say something about some of the things that this Government has done and how it has affected the people of the constituency of Wilkie, particularly with respect to how it has been received; and that is very important. I do not think that we have done anything that is more popular than instituting the hospitalization scheme that has been invoked since the beginning of the year. The people of the constituency of Wilkie did not look upon the coming of the hospitalization scheme as did the Hon. Member for Rosthern when he spoke in the Morse by-election, when he said that \$5 is a lot of money to pay for a bed in a public ward in the hospital. He did not tell them the whole story, but during the question period I had occasion to do so. The people of Wilkie understand what it is all about and they would welcome the day, Mr. Speaker, (and I wish the Hon. Premier who is Minister of Health, was in the House when I say this) - they would welcome the day when we will have state medicine in this province and they are willing to pay for it. Evidence of that you will find in that, last fall, Medical Services Incorporated of Saskatoon went into my constituency and the people fairly fell on the neck of the man that went in there and they paid out their hard-earned money (and they had very little of it because of crop failure) in order that they might join a scheme which they said is not as good as state medicine, but so much better than they had. And they said, why can we not have state medicine? Of course they know that we cannot yet institute state medicine for various reasons; but they will be ready for it as soon as the time comes that we can do so and they will be willing to pay for it.

Now, turning to the Automobile Accident Insurance Scheme that was brought down last spring. The Liberals got the jump on us there, inasmuch as they were able to get out to the people, through the press and otherwise and tell them what a bad thing it was and how small were the benefits to be derived from it. So much so, Mr. Speaker, that when I got home last spring, even friends of mine came to me and asked me, now why did we do a thing like that, because after all we are not going to get very much benefit from it! If you drive outside the Province of Saskatchewan you are not protected. You must drive on a highway; you cannot drive on a municipal road and receive any benefits and things of that nature.

But, Mr. Speaker, we have had several fairly serious accidents in the constituency of Wilkie and the people have awakened to the fact that it is a real benefit. The Liberal 'king-pin' (as I call him) in one of the villages was one of the first to suffer a very serious accident. He had a brand new 1946 Ford car, and it met with an accident that demolished it and laid it up for many months. He said that, from then on, he was going to carry Government insurance on his car; and the people that were injured in that car accident benefited to the extent of \$864.50. Not one complaint have I heard from any of those who were in the accident but that they were treated fairly by the insurance office.

We had another instance on the highway near Wilkie where a woman was injured and taken to the hospital. One of my friends told her she was going to benefit under the Insurance Plan and she said, "Oh, I do not believe that thing works." She received altogether \$429 and I have since seen a letter from that lady,

in the insurance office, thanking the Government for the very fair and decent way in which she was treated and she was entirely satisfied with the settlement.

In speaking to my people in the Wilkie constituency about the insurance put out by the Government of Saskatchewan (that is the Automobile Accident insurance), the only thing that was said to me was that they wished there was some in addition. They wished that we might also have collision insurance at a nominal fee. Now I am sure that they will be entirely satisfied, in that we are giving them collision insurance this year and charging them very little in addition for it.

When it came to the larger school units, there was considerable misgiving. I come from a constituency that is at least 50 per cent Roman Catholic. in some of the schools in the territories, where it is entirely roman Catholic folk, they have had sisters teaching in the schools for years; and, of course, they have been told by the Opposition that if we ever got a CCF Government in Saskatchewan they would lose some of the privileges that they have enjoyed heretofore, and particularly if we instituted a larger school unit system they would have nothing to say as to who the teacher should be in the school and so on.

These people, Mr. Speaker, were not so much concerned with what this thing was going to cost. They realized that it was possible that we might have better educational facilities and that we might give to our young people better educational opportunities; but they were wondering if they were going to be deprived of some of the 'say-so' that they had before the CCF took office. However, the whole constituency of Wilkie is now covered by the larger unit and we hear no complaints, or very little complaint. Taxes have gone up, but they all admit that taxes would have gone up anyway whether or not we had the larger unit system of administration. I have spoken to more than one secretary of a rural school district and they told me that the only reason that they were able to keep the mill rate down was the fact that they had a surplus and they would have had to raise it within a year or two regardless of whether or not we had the larger school units.

Then in the matter of roads. The people of the constituency of Wilkie would, of course, in common with people throughout the Province of Saskatchewan, like to see larger municipal grants for roads; but they realize that, since the CCF Government took over in the Province of Saskatchewan, they have received more in the way of municipal grants than they have ever received before. One municipal road, in particular, that I want to mention here, has been used as a 'vote-getter' for many years. Every time an election was called, they would get a grant for that road in order that a certain Mr. somebody who dragged it for 24 years might go out and hire a few suckers to work on that road to get them to vote the right way. My political opponent was able to get them a grant with which they could build one mile, in 1944. That road has since been completed and there was no snow on it this winter even while the highway as drifted. Through grants from the Government, through money raised from the municipality, they built a very decent municipal road.

In this House, Mr. Speaker, from time to time, we have heard something about land settlement and we are going to hear it again. I know the Opposition is very much concerned with the policy of this Government with respect to soldier settlement; that we only

lease the land to these men and it is only for a period of 22 years. Well, I suppose it would have been longer if the Federal Government had agreed that we might do so; but I think that they are not in a fair way to stand up in this House and criticize settlement that we offer to the returned people, because I can think of one man in particular who, when I was only a young fellow, enlisted in the First Great War, went through the way, brought back his bride, settled on a half-section of land, worked as hard as anyone, never owned a decent house, only had a shack of a barn, never got beyond a model T Ford and when his son left my harvest field to join up in the Second great War, he said, "I am through" – and he quit. No more equity in the land.

That will not be the lot of returned people that settled on Government land after the Second Great War and I say, Mr. Speaker, that the deal they are getting, today, is something that the veterans of the First Great War wish that they could have had.

While I am speaking of land, might I say that the people throughout Saskatchewan have for years been told, and are still being told (very few of them believe it, of course) that this Government is going to socialize the land. I happened to think of this when I looked across at the Hon. Member for Moosomin. I happened to remember the time when he came to my constituency, the last time that my opponent was nominated. I remember him standing on the platform in the town of Unity and shaking his finger at that audience and warning them of all the dire things that were gong to happen, including the losing of their land: that it was gong to be socialized. There was not one person clapped his hands. It was one of the most solemn meetings I have ever attended; and I though, Mr. Speaker, that if I had just dropped in from somewhere and knew nothing about Saskatchewan politics, or the Saskatchewan Liberal Party, I would have been afraid to go to the polls for fear I would make a mistake in marking my ballot, and would lose everything I had.

**Mr. Procter**: — You are in a fair way of doing that now.

Mr. Hansen: — But, Mr. Speaker, after that very notable speech, when the votes were summed up in the town of Unity we had a majority there; and we had 6 to 1 in my poll at home. Mr. Speaker, I do not know what the Hon. Member for Moosomin said in the Morse by-election. Perhaps he said the same thing and it did not work but he comes back to this House and he says we are still going to have socialization of land but it is not this group – it is another group that is going to do it; another group. Then they have elected a new leader; they are going to win the next election, so they tell people. Now this Government is going to be returned again, Mr. Speaker, and we are not going to be worried about another group, and neither are they. It is a rather peculiar thing that they are going to tell the people that another group is going to socialize the land, without intimating what that group is going to be.

We hear in this House about the Silkin Bill, and we are going to hear more about it. Mr. Speaker, I have not the Silkin Bill before me, but I do have the speech of Matthew Halton that he made on the radio some time ago – a CFC 'Capital Report' – and I want to read just a few small paragraphs from it so that I can give you what Matthew Halton thinks of what happened in England.

I think that we in this House should be very careful of what we say of the domestic policies in Great Britain – starving Britain, freezing Britain: the Britain that has had such a hard time to get ahead after this war. The weather has had something to do with them freezing this winter and there are those who are prone to blame the Labor Government for it. We also want to remember that in Great Britain there are 45 million people and only a very small area of arable farm land. So the policy that will fit Great Britain must be entirely different from any that we will ever have to institute in this country. But I am for what they are doing at the present time and make no bones about it. This is what Matthew Halton says, speaking of this particular Bill, the Town and Country Planning Bill:

The British labour party came to power in 1945 with a mandate of the people, that is from the majority of the people, to transform this country into a Socialist Commonwealth and they worked fast. They proceeded faster than their supporters hoped and faster than their opponents feared. They have nationalized the Bank of England, the fountainhead of credit. They have nationalized the coal mines. They have nationalized the country's whole transport system, road haulage as well as railways and canals. They have even nationalized the electricity system and now they are at work on the nation's land, the land itself.

#### Further on he said:

In the United Kingdom there are 90,000 square miles of land, half of it owned by 230 men. On the 45 million people in the United Kingdom, less than 2 million own a piece of land. Lord Derby, for one example, owns one-third of Lancashire, all because his ancestor, Lord Stanley, deserted Richard III in battle 500 years ago, and went over to Edward II and the Red Rose of Lancaster and most of the land of Britain is held by ancient right of reward or accident or plunder.

However that may be, I do not see how anyone can read this town and Country Planning Bill without seeing that something big and different and noble is happening in the British Isles. In the words of the Economist, Britain's greatest economist financial journal, which is not always favourable to labour: 'If ever a bill had a worthy and honorable purpose, this is it'.

**Mr. Procter**: — Do you believe in it?

Mr. Hansen: — Certainly I do.

**Mr. Embury**: — The socialization of it?

**Mr. Hansen:** — Socialized land may be all right in some places.

**Mr. Douglas**: — I would like to ask the Hon. Member for the Mediterranean Area if he thinks the Silkin's Bill calls for socialization of land? ... No answer. He never read the Bill. He doesn't know what is in it.

Mr. Hansen: — Mr. Speaker, it has often

been said in this House that young men cannot buy land, today, by reason of legislation passed by this Government. Mr. Speaker, that is not a fact because I bought three-quarter sections of land from the Royal Bank, mind you, and I only paid one-sixth cash. The reason that young men, or any other men cannot buy land today unless they have money, is because there are so many men with money who want to buy land and they are the ones that get it.

I think that the opposition and all Hon. Members in this House should be concerned with the fact that we have corporation farming in Saskatchewan today and what are we going to do about it? What are we going to do about it? I have neighbors that control and farm a lot of land. I think, perhaps, I would have been doing the same had I not been a Member of this House, and been away from home as much as I have. It is wrong. If we want to do something about equality as far as getting land in this country is concerned, we do not want to talk about legislation that has been passed, we want to think about legislation that might be passed in order to give people the chance to settle on land, if they wish to do so.

Now, Mr. Speaker, I am not going to say a great deal more. The clock indicates that the hour is getting late and there are others that want to speak in this debate but I would not consider that I had done my duty as far as the Hon. Members on this side of the House are concerned, unless I said something associating myself with the Minister of Agriculture in the things that he has said and for which he has received so much criticism, particularly through the press.

It would seem as if he has been standing alone with respect to the criticism that he has offered concerning the United States to the south of us. Now, Mr. Speaker, it is not a question of being unfriendly with the nation to the south of us. The question is far greater than that. It is a question of friendship for people. It is a question of peace in our time, and those are the things which I would be concerned with.

Much ado was made of the fact that it has been stated there are American soldiers in this country. I have a clipping here that indicates we are going to have more American soldiers at Churchill to do certain work and I ask myself a good many questions. Why do we have these northern expeditions? Why the Antartic expedition? Why the trying to men and machinery in the North? I wonder why! Is it because we are going over to Spain to straighten up things there? Is it because we do not like Fascism in some of the countries on the South American continent? No, Mr. Speaker, that is not the reason.

You know, so many people say they are afraid of Russia. One has but to read Edgar Snow's articles in the Saturday Evening Post to know that Russia is not the aggressor, that Stalin much have peace. So, Mr. Speaker, as I said before, we ask ourselves questions about all these things and wonder why. Are we going to have aggression from the south, and are we going to be 'Belgium' of the next war? We well might ask ourselves these questions. Again I say it is not because we are unfriendly to the people, to the United States of America. It is because of our friendship for these people that we and they might live. It is because of Canadian sovereignty and peace in our time.

Hon. Mr. Valleau adjourned the debate.

#### RESOLUTIONS

## RESOLUTION - REPRESENTATIONS TO FEDERAL GOVERNMENT RE PRICE OF FLAX

Mr. F.A. Dewhurst (Wadena) moved, seconded by Mr. Brown (Bengough):

That this Assembly request the Provincial Government to make representations to the Federal Government urging that the price of flax be not less than \$4 per bushel.

He said: With regard to the motion regarding the price of flax, I would just like to read a resolution which was passed at a recent convention of the National Barley and Linseed Flax Committee as this will show somewhat why I am moving the motion asking for the price of flax to be raised to not less than \$4 per bushel. The resolution which was passed by the National Barley and Linseed Flax Committee is as follows:

Whereas increased production of flax in Canada to the extent of three times the 1946 acreage is urgently required and whereas it would appear to be impossible to achieve this goal unless a satisfactory price is commenced immediately, so that farmers can make their plans and obtain the necessary additional million bushels of seed at once before available stocks are down; and whereas we generally agree that a price less than \$4 per bushel Fort William basis would not encourage an appreciable increase to the acreage over 1946; whereas it is apparent that every days delay in the announcement of a definite price for 1947 will cause a reduction in the desired acreage; now therefore, be it resolved that this meeting of the National Barley and Linseed Flax committee strongly recommends that the dominion Government immediately announce its policy with respect to the price for 1947 flax.

Mr. Speaker, I would like for a few comments to see what the flax records have been for these past few years. Over the past ten years for which I have the statistics, the average acreage of flax in Saskatchewan has been 670,590 acres but that is largely due to the ten year average to the big acreage we had in 1943. In 1942 we had over a million acres. In 1943 it was just about twice that amount, two billion, eighty-four thousand. That means that the average weighed heavily with those two years being well above the average. It also means that the average production also has the same bearing on the average farm price. From 1943 the acreage sown to flax has been steadily declining. From two million in 1943; in 1944 it was only 939,000; in 1945, 655,000; and last year 557,000. so the trend for the acreage of flax is steadily dropping. While the ten year average was 670,000, this last year we only had 557,000 as we are below the ten year average and flax at this present time is needed just as urgently now as ever. The products that are processed from flax such as linseed oil, etc. are urgently needed not only for Saskatchewan but also for the nations of Europe who have been torn by war and I think it is only right that we should try to do everything within our power to encourage the production of flax.

We may ask, well where can we get increased production in flax? Looking over the crop districts in Saskatchewan and I think all the Members here know the province is divided into nine crop area districts and we'll take each of these districts for the 1943 figure when the record of flax production in the province was at an all time high and what it was last year: district No. 1 which is the southeastern portion was the only district last year that showed more flax than it did in 1943. In 1943 district No. 1 had 97,520 acres and this last year there was 152,100 acres. All the rest are down. district No. 2, 155,000 in 1943 and 76,000 in 1946. District No. 3, 627,000 in 1943 and 175,000 in 1946 and this is a general trend all through. The only one that is up is District No. 1 and when we take district number 8 and 9 which is in the northern part of the province roughly comprising all the northern part of the province, north of township 40, we find that in district 8 last year there was 5,700 acres sown in ?district No. 9, which makes just a little over 10,000 in the entire north.

I don't know why there should be such little flax production in the North, the average yield per acre shown to be in that part of the province, it has returned as good a crop per acre as the other parts of the province, but I wonder, Mr. Speaker, if it isn't somewhat due to the fact that the farmers of the North have never been in the flax growing business very much and they do not know what is the best variety of flax to sow for that locality. I remember a few years back before the Thatcher wheat was available for the farmers of the northern part of the province and we tried to sow Marquis or other brands of wheat, we had four returns from wheat but after Thatcher and those earlier varieties were produced and they were available for the farmers our increase on wheat was considerable more than it was previous. So I wonder, Mr. Speaker, if this would be a good job for the Minister of Agriculture to give considerable attention in the North to show those farmers the variety of flax that should be used on that type of soil and to give them encouragement and leadership on selection.

Now, we may ask, as has been mentioned by different Members in this House at times, well, why ask the Federal Government to do this, that and the other. We realize that while Saskatchewan is one of the heaviest growing areas of flax in Canada it isn't processed and consumed solely in Saskatchewan neither do we have the export selling of it. The price fixtures on all grains as we all are aware of is a federal affair. They are the only government that has that authority. We naturally have to go to the government that has the authority to do so. So, I have no hesitation, Mr. Speaker, in moving second reading of this Resolution.

Motion agreed to.

#### RESOLUTION - RAILWAY RETIREMENT PENSION PLAN

Mr. A. Connon (The Battlefords) moved, seconded by Mr. Heming (Moose Jaw City):

that this Assembly respectfully recommend that the Provincial Government urge the Government of Canada to amend The Railway Act, to provide that, in the administration of any railway retirement or pension, leave of absence, suspension, dismissal followed by reinstatement, a temporary lay-off on account of reduction

of staff, or absence due to an industrial dispute strike or lock-out, shall not disqualify any railway employee from any retirement or pension rights or benefits to which he would otherwise be entitled.

He said: There is a group of employees that for many, many years suffered hardships and persecution that possibly there has been very little heard about. I hear some of the people speak in opposition to labor and the advice that we get from them, stating that labor should not go on strike until it has used every means at its disposal and then a long time after that. This group that I am speaking of now has waited for some 25 to 28 years for an adjustment and I suppose that we will have to wait that much longer to get the all clear signal to go ahead and do something. In my judgment they should have taken strong measures some many years ago. I am referring to the employees of the Canadian Pacific Railway who due to interruption in the service were denied their pension rights and privileges. I might say that every channel of appeal has been pursued in order to bring this matter to a head and the method, you might say, of getting someplace with it was started in 1945 at the insistence of the Hon. Humphrey Mitchell, Minister of labour.

The Hon. Mr. Mitchell authorized a Mr. H.S. Johnson, Industrial Relations Officer, to institute an investigation and submit his recommendations. From such investigation his report contains abundant evidence that the employees concerned suffered a penalty far exceeding the seriousness of the offence. To give you a short resume of what took place I have to take you back to 1903, where in January, 1903 the CPR was without any employee representation. The plan was that one per cent of the average last ten year earnings of the employees multiplied by the years of service would provide a pension for them at the retirement age of 65. The minimum pension was to be \$20 a month which was raised to \$25 in 1930. In July 1904 persons who entered the service after attaining the age of 40 did not qualify for a pension. Those voluntarily leaving the service also were disqualified from receiving any pension. In 1936 a new plan was negotiated and in this plan the employees were given representation on the pension board. That is, there were seven, four from the employers side and three from the employees and with that plan the employees could elect to give a three per cent contribution, the company of course making their contribution. The retiring age of course again being 65. Those who remained under the old plan were entitled to a retirement pension of four-fifths of one per cent of the average last ten years multiplied by their years of service. You will take note that with a scheme of that sort, previous to 1936, it wasn't, you might say, possible for the employees to know very much about this pension scheme. They had nothing to do with the making of it and many of them in fact, most of them when they were hired on the job didn't know that there was such a scheme in existence and many pitfalls were there for them to fall into. As Mr. Johnson in his report states that sometimes a matter of not only days or months but of hours, interruption in their service would disqualify them for the rights to a pension.

I would like to bring the Pacific Coast strike of 1919 into the picture because I think it has some bearing on the whole question. In 1918 there was a strike of the General Merchant Service Guild representing masters and mates on those transportation vessels at the coast. The CPR was the owner of several

of those vessels. This strike after three days reached alarming proportions and the fact that the war wasn't ended yet made those in authority hasten to do something about the whole situation. A Royal Commission was set up and through their efforts the employees returned to their work after three days with the understanding that they would make their findings on wages and working conditions. That was agreed to and signed on behalf of the CPR by a gentleman by the name of J.E. McMillan, by Sir Robert Borden and the Royal Commission. This gave assurance to these employees that their case would be thoroughly investigated and they did return to work with the understanding all the way through that none of their past privileges or rights would be interfered with. This is a very important point to remember and in the report which I have before me I will read a few lines to indicate how these employees accepted the word of those that made those promises. It states here:

The tie-up of shipping and water transportation which resulted from the action of the Guild brought about a very serious situation which was fast assuming calamitous proportions. Public and private business and war production were being seriously interfered with and retarded. The commissioners met the owners in August 1926 and obtained from them the following memorandum of agreement: We agree to accept and abide by the finding of the Commission that the Canadian Merchants Service Guild be recognized to the extent recognition accorded the Imperial Merchant Service Guild by ship owners in Great Britain in reference to relations between employer and employees on questions of wages and working conditions. The exact status of the imperial Merchants Service Guild in this respect to be determined by the Commission after further evidence at the insistence of either party or on the Commission's own initiative. It is understood that the Commission will make its findings now on the claims of the Guild in respect of wages and in respect of working conditions reserving only such points as it may desire further information upon and the statement was so signed. They also state further that we adopt and confirm the decision arrived at by the members of the Canadian Merchant Service Guild at Victoria with recommendations to the commissioner that the present decision will not be considered a break in service and that the members on the lake and river streamers receive the consideration as cross coast members and continuity of service is recognized all the way through in his report.

I was going to say, Mr. Speaker, that I don't believe that I can finish before six o'clock and if it's in order at this point I would ask leave to recess for the supper hour.

The Assembly recessed from 6:00 until 8:00 o'clock p.m.

**Mr. Connon**: — As you know, in 1919 the strike broke out in Winnipeg and spread across Western Canada in somewhat large proportions. There was general unrest previous to that and as I mentioned the strike at the Coast, it was held in abeyance to a large degree because of the loyalty of these workers who didn't want to create a disturbance until the conclusion of the First Great War. However, unrest was seething in the minds of the workers and if finally came to a head in 1919. There is not much need

of me going into the cause of the strike although briefly the prices and living costs had jumped at such a pace that wages were absolutely out of line with the prices. the soldiers came back from the war and they discovered that all these promises and what have you that were draped in the Union jack simply didn't stand up when it was put to the test, that the employers who made such lavish promises just didn't mean it, the result was that the strikes broke out in the building trades due to the low wages and in the metal trades due mainly to the fact that the unions weren't recognized.

During that strike, as I say, there was general confusion among the workers and some went out on strike against the advice of their leaders and I want you to take note of that. The leaders of some of the organizations were very much against the strike for the simple reason that it was unconstitutional. However, some of the men came out on strike, others were forced, you might say, to stay at home due to the fact that the particular industry that they were engaged in was closed and also there was anticipation of violence which necessitated some of the members feeling that they should remain at home to protect their families. The strike was ultimately broken by, I would say violence on the part of the authorities. You will recall that the legislation that was passed in Ottawa which set the forces of law on these men resulted of course in the death of some of the citizens and some of the strike leaders were arrested and put in jail. You will recall that while some of the strike leaders were languishing in jail, the jury of public opinion exonerated them and elected them to the legislature. Also Mr. J.S. Woodworth and Mr. Dickson were tried and a just court and jury released them. Later Mr. Dickson also was elected to the legislature and Mr. Woodsworth to the House of Commons. After things got more or less settled and employees back to work it was some few years afterwards that they discovered some of the things that had taken place with regard to their rules and regulations to back their rights. To be consistent had they in the railroad field denied to reinstate their past and seniority privileges than it might have had a better face. However, these past and seniority privileges were reinstated to the employees but alas the men on the CPR found that the service record was broken as far as pension privileges were concerned and they went on to the time that they were pensioned off and many of them spent their last days, you might say, living on relief. The other industries are to be commended for their attitude and when you compare the attitude of the Canadian National Railway, a government owned enterprise, in comparison with the Canadian Pacific Railway and the report of the Commissioner of the commission and the report of Mr. Johnson that I mentioned before shows that this particular corporation took a very arbitrary attitude, the unions have worked and negotiated for years to have some adjustment made but to this date it is of no avail.

As I mentioned, the unions negotiated and tried to bring about an adjustment but the CPR in their defence has something here that I consider quite a gem, where they say that the CPR, "Is privately owned and has to pay its way, and cannot dip into the public purse to provide pension benefits allowed to have been provided by other public and semi-public bodies." I think that comes with ill grace from a corporation that fleeced the public of Canada over the many years when millions of acres of land were given as a free gift with exemption from taxation and all the other grants, you might say, that would make it possible for any of us to start a railroad of our own under the same

conditions. The general manager and vice-president of the Canadian National Railway, I believe, in his statement in this short paragraph, he gives the position of the Canadian National Railway in that connection. He says:

In almost all cases absence from work while the strike was in progress in 1918 and 1919 did not impair the workers from continuity of service for pension. It was the policy of the President to approve of all these cases, unless there were some exceptional circumstances delaying unduly the employee's return to work after the strike or after some other interruption.

Every pitfall was there for the men to step into. As I mentioned before, these men were fairly young at the time. They didn't know much about a pension and they didn't realize in that particular matter what they had got themselves into. The answer, of course, from the CPR is that it would cost \$1.5 million to bring these pensions back into line again. So you will see that it was the opportunity of the CPR, taking it from them through, you might say, these pitfalls that were left open for them to fall into. I don't think anyone in this House, Mr. Speaker, will agree that these breaks in service, as I mentioned before, some times as little as three or four hours, was sufficient to make a break in the service that would take the pension away from them. Yet at this present time the pension system as set up on both railroads leaves the gate wide open for employees to lose their pension privileges. At the present time, leave of absence over a month is deducted from your years of service as far as pension privileges are concerned. If one is out of his position for a year, regardless of what cause (it could be sickness) the pension automatically stops. Where they have made contributions, the contributions are returned to the pensioner; and where there are no contributions, of course, the pension is stopped.

In respect to the age limit, on the Canadian Pacific Railway one entering the service after attaining 40 years of age is not in line for pension, while the Canadian National Railway has limits of over 45 years of age up to 50 where they are recognized as not being in line for pensions.

All of these things, Mr. Speaker, without making a long speech, I believe should satisfy the House that a great injustice has been done to these men, and this Resolution here is not intended to make this retroactive. the question of taking care of the employees that I mentioned, who have received such unfair treatment, is something that will have to be handled in another way. I think that we should guard against the future so that these men that give long service in this hazardous occupation should not be thrown on the scrap heap when the day comes that they have finished their railroad career. Also the very fact that all the other employers – take (I think it is) the Manitoba telephones, the Winnipeg Police and several of the organizations and corporations that were involved – have reinstated their men with all these privileges restored to them; and why should this one organization stand out – I think the public and those representing the public should not for a moment condone it. Mr. Speaker, I so move the Resolution.

Mr. D.H.R. Heming (Moose Jaw City): — In seconding the Resolution I do so from a personal knowledge of the indignities and in the sense of humiliation that many of our employees have had in the past. Also in the sense that the city that I come from when they were compelled to also had to give men relief after they had worked for 35 or 40 years for a railroad, using city and government money rather than company money to let these men live the rest of their few years in reasonable ease and comfort. The question of pensions has also seemed somehow to me to assume a moral status, as though once you promise a man a pension, no matte what happens it should be there, the principle of a pension was established in the armies of most countries, in the navies, in the civil service and the police of most countries; and was established even prior to that time by some of the biggest and largest companies we have in the world – the British East India Company, the British South African Company, the British West India Company – who, by establishing a short term of years of labor together with a good pension, attracted the very finest of men the British Empire ever raised, which was no doubt greatly responsible for the position the British empire occupies today.

Mr. Speaker, other people saw that there were men who worked arduously and assiduously at their occupations and they too wanted a pension. So government throughout the whole of the world gradually inaugurated a system of social security whereby pensions were practically the first plans which were given to the people, sometimes by contributory methods, other times by grants, so that the peoples of the work in the later years of their lives would not worry and have cause to go to alms houses or to charitable institutions.

I remember some years ago in Vancouver, there was an old couple there who had lived together for 50 years. The time came when they could no longer support themselves and the woman went to one institution and the man went to another; and if they left there for one day they could never go back again; and yet the rest of their lives they would have to live separated. At that time it caused considerable controversy in the press and I think may have been responsible for the inauguration of a pension scheme in the Dominion of Canada.

When the Government established the pension scheme that we have in Canada at the present time, it starts at age 70. all or most of the industrial concerns of our country have a pension scheme at either 65 or below, so that if anybody who retires from industry has to live from age 65 to 70 to get the ordinary average old age pension of this country there would be five years in which they would either be on relief or live on savings, which most people have not got. With industry and government they too established one after the other, various pension schemes, but in common with most of these ideas they did not have the main requisite necessary to give that assurance that a man should have. There was no continuity of the idea of the sense of security that no matter what happened when you got old you would have money to live on. Most of our industrial pensions, similarly with the CPR, if a man has an accident and misses work, or a man has a long period of sickness or other causes in which a man would be absent from his regular line of duty for months or even a year, even if he was re-engaged again his time would start from his second time of appointment and not from the first.

Inasmuch as our cousins in the south (and I belong to an

international union) I have men working the same grade as I am in the United States of America, where they had a Railroad Retirement Act prior to the inauguration of the United Social Security Scheme. This Railroad retirement Act permits a man to work with any railroad and at age 65 to accumulate all his time and then ask for a pension. So at the present time on all American railroads a man earning \$100 a month with 20 years of service will get \$50 a month pension at age 65. A man earning \$200 a month with 30 years service, will get \$90 a month at age 65 with the privilege of being disabled at age 60. We naturally see that on the American side. Also, at the same time, we have men who are employed on American railroads who come up and work on a Canadian railroad with our men, do the same type of work, but get far greater protection than we do here. It makes us feel that we are somewhat discriminated against by the powers that be. It differs to, for instance, myself I may be fired tomorrow and no chance of me getting another job and yet if I'm dismissed for a year my 37 years of service, as far as pension is concerned, will be nipped in the bud. In the United States they have continuity and at the same time they've got their Social Security scheme which pays them a maximum of \$85 a month. Out here we only have the \$30 a month run at the present time, but they do guarantee that if a man has some sense of justification he will undoubtedly profit by belonging to the International labour Office.

There is only one method which we have left to us, Mr. Speaker, and this is, to try to amend the present legislation to fit into the picture as closely as we can in order to give that protection which is necessary and due to us people who work on the railroads. In the Dominion of Canada we have 42,000 miles of track, naturally the amendment to the Act would apply to all railways. We have varying numbers of men, at one time we had 187,000 men working on the railroads, at one time we had 121,000. At the present time today we have 175,000. The variations would indicate, as far as pensions are concerned, the numbers of men who have been laid off on account of no work and who would lose all their pension rights. Fifty, sixty thousand of them would be hired with the promise of a pension and as years go by, as depression creeps in they are dismissed or laid off and in a short time their pension is gone.

There's no question, Mr. Speaker, of the amount of money which the railroads make. I've never seen it yet that when they deduct operation expenses from gross the figures are in the black. The dispersal of these black figures however is what possibly would indicate to us what by the disposal of the operating profits would be such as fixed charges, possibly old debts and things like that which really should come after the personnel or the employees of a railroad are looked after, the wages first and pensions secondly. I would suggest, Mr. Speaker, if I might what we really need is a continuity of all industrial pensions throughout the Dominion of Canada. Every firm that has a pension scheme should be made to keep those contributions which they put in and the employee put in so that if anything happens in the future once a man contributes to a pension scheme of any type his contributions go forward with the years as he moves from one industrial outfit to another one. Thereby his pension rights will be protected. Even if at times he does not work for a pension it should still be there at age 65 for him to draw when he comes to that time, but at the present time, Mr. Speaker, we're only asking for an amendment to the Railway Act to correct a very serious situation.

I know a man who just a year ago retired. He got enough to keep him one year, that's all he's got, at the end of the year he'll be asking for relief and in four years, if he lives that long, he may get the old age pension. I know another man here after working 40 years for the railroad got in a wreck this winter. He was fired with six months to go for his pension. These things do happen and there are other things of similar character which happen to the employees, but they should have reassurance as they get older. No man deliberately goes into a wreck, there's no man who deliberately gets sick for a year, it's an unforeseen condition. A man may go on strike because his union tells him to. He goes on strike usually as a very, very last resort and as the only weapon he has to correct some condition which is unbearable at that time.

In seconding this Resolution, Mr. Speaker, I would like to suggest to the Government that when it meets with the Dominion Government in connection with the Provincial-Dominion conference that this matter be brought up with a view to having Federal legislation whereby all pensioners shall receive the consideration of Government and probably come under their regulations. Not only under the ILO, but even under the promises of the Atlantic Charter and of the San Francisco Conference, they promised the people of the world that they should have a reasonable living, an absence of fear especially in old age. Mr. Speaker, I have great pleasure in seconding this Resolution.

Hon. C.C. Williams (Minister of Labour): — Mr. Speaker, I had no intention of speaking at this time but I would like to commend the mover, the matter of the Winnipeg strike and the way it affected CPR employees to the attention of this House. Now most of us here will remember the famous wreck in 1919 in Winnipeg. The hysteria that took possession of the authorities, the people they put in jail. We recall that Mr. J.S. Wordsworth, the late Mr. J.S. Wordsworth, was put in jail. I think he had made quotations from a Bible, had made some statement that was afterwards proven to be a quotation from the Bible and he was released I think in one or two days. Mr. A.A. Heaps who was many years afterwards a Member for, I think it was for North Winnipeg, also spent some time in jail. So did John Queen, who many years after became Mayor of Winnipeg. He served some time in jail. As has been said, shooting took place, several people lost their lives and so forth.

While I'm speaking of strikes I happened to notice in the press last evening that the second oldest strike in the United States has just been settled. It referred to the strike of the J.I. Case Company which I think has been going on for fourteen months and has just been settled and a large number of men have gone back to work. It referred to the oldest strike in the United States, a small railway in the South that was bought by a George P. McNear several years ago, I think back in the '30s. He got if for a very small amount in comparison to what it was worth. They have been out on strike for approximately a year and one half. Perhaps not that long. Last February, 1946, they hired thugs and gangsters, who sot and killed two of the striking employees. That was George P. McNear's railway that we just read about last night as having had the longest strike in the States and in this morning's paper we read that some one has shot and killed Mr. McNear. I doubt if labor in the States

or in this country are particularly sorry to see that happen.

It's true the employee on the Canadian Pacific, if he starts after the age of 40, is entitled to no pension and it's just as true that the moment he reaches the age of 65 he is cut off. He can't work 65 years and one day, he goes sharp on this 65<sup>th</sup> birthday if that happens to be a Sunday or the day before. A break in service, the junior Member from Moosomin has mentioned a year, I had thought it was less than that and have known of cases of 30 days to be a break in service. I'm not just quite sure of that particular fact, but back in the early '30s I recall, and many of you here will, what happened to the stock market. The CPR was no exception. Their stock went down and down (I forget the amounts just for the moment) but their employees were encouraged to buy this stock. It was going to give them an income for the rest of their lives. I know different men who bought that stock expecting, (men who did not have a pension coming too by the way) that when they reached the age of 65 they would at least have something. It went down and down many of them lost the money that they were planning would take them into their old age with not having any pension coming.

Just in tonight's paper I see an article that's entitled: "CPR Income Shows Drop". "Montreal, March 11<sup>th</sup>".

The Canadian Pacific Railway Company, Monday reported net income of \$25,134,000 or \$1.53 a share for the year ending December 31, 1946. This compares with net income of \$31,614,000 or \$1.98 a share for 1945. The gross earnings were \$292,495,000 as compared with \$316,109,000 the previous year and working expenses were \$271,652,000 against \$280,055,000 leaving railway earnings of \$20,843,000 versus \$36,054,000 in 1945. Other income from steamships, hotels, communications, investments and miscellaneous sources totalled \$22,779,000.

Now I was interested enough to cut that out of the paper, Mr. Speaker, and bring it over here. It is not a question of money. what is a million and one-half dollars as far as the CPR is concerned to provide a pension for these men, absolutely nothing. that particular concern has taken millions and millions of dollars from this country over the past 60 or 65 years. Now since 1919 we find that these people went on strike, whether or not they should have is another matter. Anyway they went on strike in 1919, cut off with no pension rights. I think you might describe it as a dastardly act and one of the greatest injustices I believe ever perpetrated on any group of employees by any concern and I might go further and say that it's a blot on the record of the CPR dealing with it's employees. I intend to support the Resolution, Mr. Speaker.

Mr. A.T. Stone (Saskatoon City): — The Resolution that we are discussing tonight does not intend to undo what has been done in the past but to stop any recurrence of that injustice that took place in the 1919 strike. It wouldn't surprise me, in fact I'd be very disappointed, if there isn't some Member gets up during this debate and asks the question why railroad workers should have a pension any more than farmers or the other citizens in the country and frankly I don't believe they should. I believe that the time is coming when we've got to have a scientific program, a march or some sort of cradle to the grave program in this country that

will cover family allowances, unemployment insurance, workmen's compensation, pensions in old age and health schemes. I think that the taxpayers, industry and the government will have to subscribe and bring in such a plan.

In the meantime I feel that there is a certain amount of prejudice, hard feeling or we might say jealousy towards railroad workers because they are in a position where they have some kind of security during old age. For that reason, Mr. Speaker, I would just like to briefly point out one or two things about the railroad pension. I happen to know more about the Canadian National Railway pension than I do about the CPR. The CNR had no pension up to the time that Sir Henry Thorton became president. I think only the Grand Trunk Railway was the only one that had any kind of a pension. Then Sir Henry Thorton brought about a non-contributory plan which was quite a good one. It was very similar to the CPR, one per cent of the employees earnings multiplied by the number of years of service at 65. Around 1933 the Canadian National began to find that it was quite a financial burden and they introduced the contributory plan. It's a purely voluntary contributing plan. But I have the latest figures, I had them from 1945, I guess the other ones will be home when I get back, but up to that time the contributions received from the employees had been \$22,667,000 and the interest and profit on securities on that money was \$3,684,000. I'm just giving the round figures, the money released for payments amounted to \$2,703,000.

Now I submit, Mr. Speaker, you will notice that the interest on the money that the employees have contributed will take care of the annuities to pensions and I submit that so far although the company does show a reserve of some \$29,000,000 that that is purely a matter of bookkeeping. Our pension scheme is composed of four employers and three employees. It is rather remarkable that it specifies that the employees will be chosen from legislative bodies of the labor groups. It also specifies further that they will be chosen, they will be recommended by the company. So there is very little chance of me, just an ordinary machinist ever representing my fellow employees on that pension board. I believe the CPR had a company pension up to about 1938 and when they too went into a contributory plan. I believe theirs is compulsory. I'm not quite sure on that score but I am sure that their board is composed exactly in the same manner in which the Canadian National Railway is composed and that clause, the clause they have always had has no time limit mentioned. Any employee could be deprived of many yeas of pension rights by absence of work of a day or even a few hours. There isn't any time limit mentioned and when they changed over to that contributory plan a great effort was made to have that obnoxious clause removed but so far it hasn't been done and that is why we are asking in this Resolution to have that change made.

Some mention has been made of the Winnipeg strike. I took part in that strike myself. I was finishing off my time in Winnipeg, I was a sort of a carefree youth, I thought it would be a good idea to have a few days holidays in the balmy spring weather and those few days extended out to some seven weeks. I ought to have been out of my time in June, I didn't get out until August 1919. But, no question about it that strike was possibly the most successful and the most peaceful strike in the world up to that particular time. For over five weeks there was no alarm at all and the other side was getting quite worried and eventually they engineered violence and before the last few words of martial law were proclaimed, the police were down

Main Street, firing as you know, and the ringleaders were thrown into jail and the strike was beaten. We, the Canadian National workers stayed out and went in to our company and told them that we were prepared to say out until we could all go back as one man with our rights as they were when we left. The officials point out that they could be tough but they had no desire to do so and so we all went back as one man. Unfortunately, throughout the West here and especially in rural centres there was quite a scramble back to the jobs, men hurried back two or three days ahead of the others and they lived to regret those particular occasions. I want to point out too that all the ret of the firms that were more or less involved at that time also took back their employees without any discrimination. The city of Winnipeg, the Manitoba Telephones and I think the mover of the motion mentioned them all, the Manitoba Government and the Winnipeg City Police Commission. As you remember the police at that particular time were asked to sign a form whereby they promised they wouldn't go out on strike and the police wouldn't sign those forms and so they were locked up.

I want to say that I'm very glad that this motion has been brought up. It has affected thousands of citizens in the country and lots in this particular province and these men many of them with years of service have just been thrown out on society and either the community or the province have had to look after them. I believe too the Trade Unions have fought since their inception to win and preserve the right to strike. I think this right is fundamental to liberty. It is labours final but most effective weapon and therefore, Mr. Speaker, I take great pleasure in supporting this Resolution.

Motion agreed to.

# RESOLUTION – FISHING INDUSTRY REQUESTS ASSISTANCE FROM FEDERAL GOVERNMENT

Mr. H.L. Howell (Meadow Lake): moved, seconded by Mr. Lee (Cumberland):

That this Assembly, being of the opinion that our fishing Industry should be established on a firm economic foundation, request the Government of Saskatchewan to urge the Federal Government:

- (1) To make immediately available the benefits of the `Fisheries Price Support Act, 1944 to the fresh water fishing industry;
- (2) To establish a Marketing Board with each province interested having representation on such board for the purpose of marketing fresh water fish and allied products,

And further, that this Assembly ask the Provincial Government to consider the advisability of further assistance to the fishing industry by means of improved distribution, transportation and storage facilities.

He said: On this occasion I want to discuss the fishing Industry in a little different aspect. I want to describe the effects of the war on the fishing economy in general and to talk about the

factors that are involved now and will be involved in the transition from a wartime to a peacetime economy; and to suggest in conclusion a Dominion-Provincial setup to meet the problems at hand.

During the wartime the fishing industry was expanded very greatly. There were several reasons for that. First of all, a number of the competitors dropped out of the field entirely, such as, Norway, Denmark and Iceland. That is to say, they dropped out of the market in which Saskatchewan is concerned, the American and the Canadian markets. Due to the shortage of alternate foods, chiefly meat, the demand for fish products was stepped up very greatly. Order-in-council assisted in that trend. For example in the United States there were ceiling prices placed on meat and meat products and no such ceiling prices on fish and fish products with the result that the market for fish tends to expand and did expand very greatly while the production of meat and meat products was restricted. In Canada we are all familiar with the regulations which call for two meatless days and in common with other products there was that general accelerated demand as a result of people in general having more money to spend.

Another great factor in expanding the industry was the very extensive demand of the American economy for fish and fish products. As a result of those factors and price of fish expanded or stepped up two and one-quarter times from 1939 up until very recently. that is to say taking 1939 as a basis, placing the price of fish at 100 would put it at 225 very recently. So far as production was concerned that was stepped up threefold.

Now we have arrived at peacetime conditions there are several factors coming into play. First of all we have new and old competitors back in the field, Norway, Denmark and Iceland are now exporting their fish to the American market. Newfoundland is back into production in a big way. Newfoundland has lost here Portuguese, Spanish and Italian market. The consequence is that she is pushing into the markets that were formerly held by the inland provinces of Canada and by the eastern Maritime provinces. Nova Scotia has turned from canned fish products being handled by Unra to exporting fish directly to the American markets. In the United States they have an organization called the OPA which I understand functions something like the Wartime Prices and Trade Board in Canada. It has recently removed the ceiling on meat with the result that meat is now coming into the shops in large quantities. Much larger quantities than for a number of years with the result that fish and fish products are gradually pushed back. The purchases of the American army have shrunk to a very small measure. Frozen fish are being dumped on the market. Yes, Mr. Speaker, really dumped on the market very rapidly in the last few weeks. These fish products were stored up over a period of time. The stocks tended to get larger and larger because the price was going up all the time but now that we have reached the peak and the prices are beginning to come down those organizations holding frozen fish have started to put them on the market in large quantities. Among those interests dumping fish like that the Booth Fisheries stand out as the greatest example. All these factors have hastened somewhat of a collapse, not an entire collapse but it has hastened a condition in the fishing industry that behoves us to take great note of.

Therefore, in my opinion we have to plan and plan very

quickly for the future. It would have been very well if much of this planning had been done many years before. So far as the market is concerned I do not think that we can safely say that our production last year in Canada or in Saskatchewan was so many thousand or million pounds and the price was so much and that we are going to maintain that production and the price. I do not think that that is a reasonable approach to the situation because we were living in a wartime economy. We were sending our products into a market which was not entirely a natural market. I think that we must look at the production and the prices that were in effect about 1939 and plan from that point onward. Start out with the 1939 level and see what we can do to expand our exports into the American markets and expand our business in Saskatchewan. Therefore, I would like to appeal for joint Dominion-Provincial action to maintain our fishing industry in its present position of relative importance in our economy and to ensure to the fisherman a return comparable to returns in other industries.

In 1944, the Federal Government passed a Fisheries Prices Support Act. I would like to tell the Members about some of the outstanding features of that Act. It was quite an elastic measure, designed to facilitate the transition from wartime to peacetime economy. Twenty-five million dollars was set up as a fund to provide for what they called deficiency payments. Not a subsidy, not something that was gong to be paid every year but which could be paid in any one year in which the price of fish became very low. The years such as 1932, 1933 and 1934 were suggested as examples of that, that is to say the Federal Government would step in to the extent of \$25 million to pay to the fisherman at least the minimum cost of production. The fisheries Prices Support Act provided for the setting up of a marketing board with producer representation on that Board. So far as I am aware, Mr. Speaker, only the Provinces of Manitoba and Saskatchewan have so far asked that such a marketing board be set up. I believe it would be necessary for that marketing board to establish a quota for the various provinces insofar as inland fisheries are concerned, those provinces being Ontario, Manitoba, Saskatchewan and Alberta. A quota would have to be set up based on the average production over a period of years. It would be obviously unfair in a restricted market for any one province to place a quota on its own fisheries and let things take their course in a laissez-faire manner in the other provinces.

I remember reading several times of situations during the `30s in which one country, say for example, producing coffee, would decide that it's going to produce so many million tons less for the next year, until some other country decided it might as well produce that many million tons more. We don't want that situation to happen in Canada as related to the problems of individual provinces. It is desirable then, in my opinion, for this federal marketing board to handle the exports of inland fisheries. the other side of the story is what should be provincial government, with each province co-operating with that plan, do to facilitate the work of the federal marketing board?

In the first place it would be necessary to assist in

maintaining the quota that the federal marketing board might set up. It would be necessary, in my opinion, to set up freezing plants for the storage of the surplus fish. Everyone knows that we can't go out and tell the fisherman to catch three carloads or five carloads of fresh fish in any given time. It might not be possible – they might get less or they might get more than that; but by proper planning, by having freezing plants we could aim to have a little bit more caught than our export permit would allow, then, each week, we would have a surplus of fish to store and when fall came and the months of December and January and so on, we could sell that frozen fish to the people of Saskatchewan who ordinarily buy frozen fish. In this case, Mr. Speaker, I believe that there is a possibility for expanding our market in Saskatchewan very greatly. Farmers, for years, have frequently been unable to get frozen fish in the fall when they want it, they probably get it delivered sometime late in February or March, and having nothing other than natural refrigeration around the farm, they probably find themselves in the position of having to eat fish three times a day to keep it from spoiling. On the other hand, if we had these freezing plants which could store up a large quantity of frozen fish, we would be in a position through our marketing boards and other facilities in the province, to ship out immediately orders from farmers and other people throughout the province as soon as freezing weather came in November or December.

I think it is necessary too, in the interests of good marketing, that something be done in the way of facilities and educational matter, to assist in better production methods – better methods of cleaning of fish, better methods of getting them to the market. The day should end, and end very quickly, in which fish may be piled up and stored frozen on the ice for sometimes two or three months at a time. If we are going to bring our fishing industry in line with modern progress, we will have to consider, in my opinion, modern methods of transportation. At the present time a 'cat' train can start out at Wollaston lake and arrive in Flin Flon some 23 days later. The fish are hauled at a cost of 5 cents a pound. I understand that for slightly more than twice that figure – for around 11 cents a pound – the fish could be flown from Wollaston Lake all the way to market in Chicago. Those are some problems that I think our Provincial Department of fisheries, in co-operation with the Federal Department could well look into. I believe that there are possibilities of very greatly expanding our market in Saskatchewan for our own Saskatchewan fish. How many times have we gone into restaurants and looked over the menu – salmon for sure and possibly halibut. Sometimes of course there has been white fish which might or might not have been a Saskatchewan product. But we can certainly do a lot of advertising and various other measures, in my opinion, to popularise in Saskatchewan the consumption of Saskatchewan fish.

I would like to say in conclusion, Mr. Speaker, that in my opinion, this problem of our fishing industry is something which concerns not only those of us in the northern part of the province, but concerns the people in every part of Saskatchewan. I can't help thinking of a measure that was adopted here last year – a measure for the setting up of feed banks for southwestern Saskatchewan. I know that for my part I was very pleased to see a measure such as that come into effect; and when I went back to my constituency I told the people what was being done to stabilize the economy of southwestern Saskatchewan and I did

what I could to show to them that the problem of southwestern Saskatchewan was the problem of northern Saskatchewan; and the better the economy which was established in southern Saskatchewan was, the better it would be for the economy in northern Saskatchewan. I would like to point out to the Members here, the other side of the story; that the better our fishing industry in northern Saskatchewan is established, the better the fishing industry will be able to carry its share of the economy of Saskatchewan and the better it will be for all of the economy for all of us in Saskatchewan from north to south. My hope is that every Hon. Member in the Legislature will give this Resolution his or her hearty approval and will do what he can in his own constituency to show the people that the problems of one part of Saskatchewan are the problems of other parts of Saskatchewan. For the reasons which I have put forth, Mr. Speaker, I am pleased to move this Resolution.

Mr. L.W. Lee (Cumberland): — Mr. Speaker, quite a bit has been said in this House during the last while about fish and fish markets, so that some of the Members might think that it is being a little overdone; but when you go into a café for a meal three times a day and see several varieties of fish on the menu for each meal, you realize that fish must be quite an important part of the people's diet, and also a very important industry in the province. I am probably more interested in this subject of fish than most of the Members because in my northern constituency a lot of the people are dependent, almost entirely, on fish for their existence. In fact, fishing in my constituency is almost as important as wheat growing is to the farmers in the South.

The fishing industry hasn't been in a very healthy condition in the North in the last 15 or 20 years. I said quite a bit about it in the House some time ago, but I'm going to repeat some of the things that have already been mentioned. In the far North transportation is a problem and it is very difficult for the fishermen to get their product out to a point whereby they can bargain with the buyers – that is, where they could sell it at a competitive price. Therefore, they have been compelled to rely on buyers coming into the North and buying the fish at the lake or at the points where they can transport them out to rails. These buyers usually come from – a lot of time from Winnipeg – points outside the North. They are not very interested in the fishermen. Their object in buying these fish has usually been to make a profit, so you can see the situation that these fishermen have been in. They have been forced to sell their fish at the prices offered and these prices usually have not been sufficient to carry them over to the next fishing season. Therefore, in many cases, they have been compelled to accept loans from these buyers, which was the same as a mortgage on their next year's fish crop. The result was that the next year, many of them having been kept in debt to the buyer when the fishing season opened and they got their catch of fish, they had no alternative but to dispose of it to the man that had given them the loan.

I might say now though that in most places in the North this situation has been overcome by the building of filleting plants and the Government fish marketing Board, so that today they are assured of a better price than they used to be a few years ago. Quite often the fish prices in the cities to the south were high, but I didn't mean that the fisherman of the North would benefit by these high prices, as the prices offered

by these buyers were as low as possible. In fact, I think, the prices were usually agreed on, and the fishermen had no alternative but to accept as they were not able, themselves, to transport the fish out to cities and places where they could sell them at a competitive price. These buyers, as I mentioned before, most of them were outside buyers that came in from the cities or from the settled areas for one purpose only, and that was to make a profit on the buying of these fish. They weren't interested in the conditions of the North; they weren't interested in the children of these fishermen who didn't have, in many case, schools; they didn't have decent homes to live in and under the system of mortgaging or keeping them in debt, they were never able to acquire enough money to send these children out to school on the outside. the odd one (who was a bit more fortunate than the others and had an exceptionally big catch) did send their children out to Prince Albert or some other point where they got the benefit of school.

Now, the fishing industry in the North is an industry that, I think, should be protected; in fact it's the third largest industry in the province and under proper management and proper marketing conditions, it will continue to grow in the future. We have a market, I think, for all the fish that we can produce, in our own Dominion as well as to the south. The Member for Meadow Lake mentioned the Fisheries Prices Support Act which was passed in 1944, but which I don['t think was ever put into effect. This Act gave the government power to appoint a board for the purpose of buying and selling fish. I imagine it would be on the same lines as our Wheat Board is today. As far as I know though, there has never been any board set up. As he mentioned, I think that this board should be set up so as to give the fishermen a fair price and to stabilize the fishing industry so as not to flood the market with fish at times when the market was already overloaded. I think it is very essential that we have a board such as Mr. Howell mentioned to purchase and sell the fish products of the whole Dominion, but especially I'd like to see something like that sep up to handle the fish products of this province. I don't think I can say much more; the Member for Meadow Lake pretty well covered everything that I had in mind, but I certainly want to approve of this Resolution to set up a system of orderly marketing so as to guarantee the producer of these fish a fair income so that he can have a fair standard of living, and also guarantee the consumer a product at a fair price. I think that we owe the people of this north country something in that line – or probably I should say the whole province. We have many young boys from the North who went and gave their services – some of them gave their lives – and who have come back and have taken up their old job, some of them fishing. I think we owe them especially what we promised them before they went overseas. We promised that they would be looked after; that they'd have a fair living, fighting for a country, a democratic country that they thought was worth fighting for. I think that the Government owes them something better than they had before they went away. Mr. Speaker, I take great pleasure in seconding the Resolution.

**Hon. J.L. Phelps** (Minister of Natural Resources): — I wish to take part in the debate on the Resolution that is now before the House. I would say in the beginning that I think it's very timely that a discussion took place in this House on the fishing industry and such. I think that it is possible that a number of Members in this House do not fully

appreciate the important place the fishing industry plays in the economy and has played in the economy of our province. I know it's very easy for us who are living in the South and don't journey much in the North not to be acquainted or know very little about the industry or the part it plays, any more than it is easy for those in the North to know the problems of the farmers in the South. They talk in different languages so far as livelihood is concerned.

I was just running over the Order paper. I notice we have resolutions on the Order paper on highways, on flax, on marketing wheat, on taxes, on livestock, on transportation, on housing, on barley, on health and two on irrigation. Now, Mr. Speaker, these are all important points and they are all very important to the economy of this province but I would point out that so is the fishing industry and I think it is time that some more importance be given to it. The fishing industry at the moment is going through a transition period, the dominion Government, I believe, recognize that this would be so in placing on the Statute books the Fisheries Prices Support Act. We have during the past few days and weeks been pressing Ottawa to implement that Act at an early date. We have enjoyed in the fishing industry in common with other provinces and other parts of the world a very high price during the wartime for fish products. This is, of course, as a result of meat rationing and various other factors and it has lent a boom to the price of fish on the general market.

The fishing industry however, is used to booms and depressions. I do not think, Mr. Speaker, that there is any industry that has experienced more ups and downs than the fishing industry over the years and if you watch the trend of prices they are fluctuating even within certain seasons let along as compared one season with the other, the fishing industry has always lacked proper marketing machinery, that is one of the drawbacks. The industry has never been on a good foundation for any long period due to the facts that I have mentioned and I might say that Saskatchewan is not alone in its efforts to do something for the fishing industry. I think it is to be regretted that something was not done sooner. I am not blaming anyone particularly for it. I think maybe it was a lack of understanding and appreciation of the difficulties that industry has been experiencing and the economic advantages to the province from its re-establishment.

Other provinces have recognized a fishery problem. Nova Scotia many yeas ago recognized a fishery problem. They had a very definite problem at that time and set about in a definitely organized way to correct it and I want to say that we could learn a lot from the experience of Nova Scotia. While their setup is somewhat different, their type of fish is different, their fishing methods are different, nevertheless a lesson is together; they fish most of the time in one spot; they fish most of the year around; and therefore they have entirely different problems than we have. They went about organizing themselves and through co-operative efforts have done a great deal to re-organizing the fishing industry of that province. I wonder if the House might be interested to know that we have one of the leading men from that co-operative in Nova Scotia now engaged in assisting us in rebuilding the fishing industry of Saskatchewan and we have found him a very valuable man indeed.

We might look to the experience of British Columbia who during the past few years has been busy re-organizing its industry and see what it has done to advantage. In that case again due to the setup they have there and the matter that the fishermen work together in more or less the same place, (that is they operate from groups) but their setup is much different than the industry here in Saskatchewan as I'll deal with in a moment. Mr. Speaker, they have made great strides in British Columbia towards more orderly marketing. In that case it has been carried on by the producers themselves through groups.

I might cite to you another example of what has been done in Newfoundland. they have an entirely different organization there. They have organized a government marketing board much along the lines that we have here in the Province of Saskatchewan. In fact, Mr. Speaker, we have been in communication with the Newfoundland fisheries Board and I might say that the industry before that board was established was at the depths of a depression but since that board has been established that industry has climbed out step by step until the Newfoundland fishing industry today is recognized as being one of the best organized marketing agencies on the North American continent so far as that product is concerned. Now, Mr. Speaker, I said we had been in communication with the Newfoundland fish Board and particularly with the Chairman of that board and we have invited him to come to Saskatchewan and he has promised to come. I hope that before very long we will be favored with a visit from the chairman of the Newfoundland fish Marketing organization used as a government board. I said before, I believe, that we can learn a good deal from the results of the operation of that board.

I want to say again to the House that the organization of the Saskatchewan Fish Board is much along the same lines in certain respects. When we come to Saskatchewan the situation is entirely different. The fresh water fishing industry is entirely different to the salt water fishing industry. It is simply for this reason that the fishermen in the past have been more or less gypsy shall I say, they have fished on this lake this year, another lake next year and in many cases they only fish for a few weeks and then the balance of the year they are engaged in some other vocation and they don't come into association with each other but for a very short and very brief period. In another case in the past fishing in Saskatchewan has only been a very seasonal industry and as a result of that it presents many problems.

Now, Mr. Speaker, I am not going to make any apologies to this House for taking a bit of time on the fishing industry. We were criticized yesterday by the Leader of the Opposition for not giving some explanation of the work of our Department and I am going to take this opportunity of telling this House what this Government is doing for the fishing industry of Saskatchewan and what we hope to do. Mr. Speaker, as I said before in order to appreciate the problems of the fresh water fishing industry it is necessary to examine the setup very briefly and I do not intend to dwell on it very long. This Government believes in the principle of orderly marketing. The fishing industry needs it possibly more than any other industry. We took a vote two years ago on the fishermen of Saskatchewan, the licensed fishermen. The result of that vote, we asked them two questions, we asked them really three: If they wanted a marketing board? If they wanted an agency to help and assist them in marketing fish? We asked them did they want a producer marketing board or did they want it operated by the co-operatives, co-operatives among

themselves or did they want a government marketing board? Mr. Speaker, 86 per cent of the fishermen voting, voted in favor of the establishment of a Government marketing board.

Now, Mr. Speaker, we have heard a lot of publicity, we have had a lot of articles in the paper during the past few weeks about the fishing industry and many of the things that weren't going on. However, as I said before so far as the actual fishermen are concerned they are behind the marketing board, they have been peddled a lot of propaganda by the Opposition but they are still behind the principle of orderly marketing because they realize the need of it and the benefits and the advantages to be obtained. Mr. Speaker, I want to say this, the difficulties of the fishermen in the fresh water fishing industry in forming a producer co-operative or a producer organization are almost insurmountable for the reasons that I mentioned a short time ago, they only meet with each other for a few weeks and then they are scattered all over these lakes and they do not have any common meeting grounds only on one or two occasions possibly during the year. It would be almost impossible to maintain. I want to say that this Government would be anxious to maintain or to build up a producible organization; but until the industry is completely re-organized to maintain a marketing board on a basis of producer representation would be not only impossible but literally impracticable.

Mr. Speaker, I want to dwell on that point a little further. There are other reasons why this would not work in that way. In the past, it has been the custom for one fisherman to go into a lake, in some cases, and take a whole truck load of hired fishermen with him. He bought the licences; he paid them certain wages; and one man bossed the show. Now then, Mr. Speaker, that doesn't lend itself to organized production and organized marketing. We have sought to make restrictions to restrict that kind of thing. We have restricted the size of nets; we have restricted the number of licences on certain lakes, the objective being to work gradually toward the time that we would have certain lakes reserved for the residents in that area. Mr. Speaker, I want to prove that the fishermen have benefited by the operations of the marketing board. I want to say this, that previous to the time that the marketing board started to operate practically no fishermen owned their own fishing equipment in the Province of Saskatchewan. I say the real fishermen, not the fishermen who fished for fishermen, but I'm talking about the real fishermen. Mr. Speaker, since the fish marketing board started to operate we now find these fishermen – and I have copies of letters right in this bag here on the floor -- Mr. Speaker, copies of letters from fishermen who are not telling us that for the first time in the history of their experience they are now able to own their own equipment. they are not able to own their own nets and they are on the way to becoming at least self-supporting.

Mr. Speaker, there is another thing that has operated in the past. the big dealers only operated when it suited them and when the markets were in their favor. When things got a little tough they just naturally vanished. Mr. Speaker, under the old system of doing things, they didn't even have a warehouse. They had no place to store fish – they had nothing – and all they did was to get on the train, buy a ticket and they were gone. the fish business folded up. –ms we are trying to give some stability to the fishing industry, not that we will only be in business in fair weather, but we will be in business

at all seasons of the year insofar as it is humanly possible to do.

As I said, I mentioned the matter of restrictions. In the past, fishermen went from the south to the North; and I'm sorry the Member for Athabasca is not in his seat; but I want to say this, that I think the Members for the northern part of the province have a particular problem and this is one of them. In the past, what has been happening in all too many cases is that fishermen from the South were permitted to go up to some of the northern lakes and take a harvest. Well, Mr. Speaker, I think that there is a certain element of unfairness there. I wonder what we farmers in the South (and I say we because I am one of them) would think if just about the time our crop got ready to combine, some morning we got up nice and early and we saw a brand new combine down in our field going buzzing around cutting our crop for us; and when we sent down to see what was happening we found somebody had come down from the North and brought a rubber-tired combine with them and was starting to help us harvest our crop. What would we say about it? Mr. Speaker, I want to point out to this House that fishing to the north country – in certain sections of it as has been stated here before – is the economy of that country just the same as wheat and livestock are to us down here in certain districts. I say that for us to let the people from the south go up there and reap the harvest of these people whose livelihood depends upon it, Mr. Speaker, it would be an injustice if any government permitted that kind of thing to continue. So as far as we are concerned this Government has passed regulations stating to curtail that kind of thing. What we are trying to do, Mr. Speaker, is first of all safeguard the economy of those people who live there; secondly, we seek to see to it that we will build up a fishing industry and a group of fishermen, not just gypsy fishermen, but people who make their livelihood and spend most of their lifetime at it. The only way you can build any stability into an industry is to train people to do the job better and bigger. Then you will be able to educate them to produce a quality product, and to prepare that product and maintain it in good condition.

As a result of the policy in the past, we find that some lakes have been over-fished in the made rush of carrying on in that way. But there has been another factor that has been developing that has been more far reaching and has gone further in wrecking the fresh water fishing industry than any other one thing. That is the practice, over the years, of mixing fishing from various lakes. Now, Mr. Speaker, that is not done by the fishermen. that practice is followed by certain groups of unscrupulous dealers. We have a few lakes in Saskatchewan that have been known to be low in quality; and it has been the practice of some of the unscrupulous dealers in the past to mix this fish with fish of good quality. Mr. Speaker, they have done it in many ways. they even loaded carloads of fish that they wanted to get by in the back or the bottom of the car and then loaded the door up with good fish that they knew would go through the export market. However, over the years these things caught up with them and as a result the industry got into a deplorable condition. Export rejections developed and, Mr. Speaker, of course the white fish was the only most affected. I want to say that Saskatchewan, like other western provinces has a lot of good fish, and a lot of good white fish. When properly handled they will be a quality product, Mr. Speaker. As I said, we have fish from other lakes that require some

attention.

Now, as I say, other provinces are affected equally, or almost as much, as Saskatchewan. Not so much the Province of Alberta, but particularly in Manitoba and Saskatchewan we have a common problem. Ontario also is seriously affected with this problem. I want to say that one of the first things I did after I was appointed to my present position, Mr. Speaker, I received a call to a conference; and when I got to that conference I found the agenda prepared. I don't want to take any credit for that conference. It had been prepared and there had been discussions going on for a number of months – the former government was beginning to realize that there was a problem presenting itself in the fishing industry. The Federal Government had called that conference and I was asked to attend as a representative for Saskatchewan. At that conference the Western Whitefish Inspection Regulations were adopted. that, Mr. Speaker, was the stat of the reorganization of the fresh water fishing industry; and it had very serious repercussions as it was expected that it would. There was no doubt at that time but that it would.

Now, these regulations provided, among other things, for the classification of lakes. the lakes in the Province of Saskatchewan have, during the past two years been classified (or the majority of them). the main producing lakes have all been classified. We are extending that classification as rapidly as materials, equipment and personnel will permit. It is a big job, Mr. Speaker, to classify those lakes and to keep them checked from time to time. Now, Mr. Speaker, when the Whitefish Inspection Regulations were inaugurated for the shipping of whitefish under a system of tagging, no whitefish were allowed to be shipped unless it had the proper tag. The first year there were two kinds of tags, an 'A' tag and a 'B' tag. that only operated one year and was discarded very soon after it was started; but that was into the middle of the season and all the provinces, after a second hurried conference, decided to carry on through. We discarded it last year for obvious reasons. Now, Mr. Speaker, as a result, this has been abandoned and all that we have now is an 'A' tag. The only 'B' tags issued are for fish that are on the way to a filleting plant for processing and any whitefish in circulation in the Province of Saskatchewan without those tags are, Mr. Speaker, illegal fish. I would suggest to this House, that if any Member observes any of it, in the interests of protecting the fishing industry and the consumers as well, they should report that to the nearest officer. There has been some shipped since that time and it means a good deal further administrative costs.

Mr. Speaker, these regulations are passed by the federal government with provincial concurrence. There have been some of those who have sought to put the blame on the Federal Government. Mr. Speaker, I blame them for lots of things but I'm certainly not going to blame them for passing the Whitefish Inspection Regulations. The Regulations are passed by the Dominion Government with the concurrence of the provinces concerned. We are co-operating with them and are gong to give those regulations a good and fair trial. We believe that they are not the answer to all the troubles; they are not gong to cure all the fishing troubles, but they are at least making a stat in that regard.

Mr. Speaker, I want to say this, that since that time we have had further conferences. We were called to a conference

at Edmonton last fall, and I took the officers of the fishery Department up to Edmonton; and we reviewed the past operations and made arrangements for the new regulations for this coming year. For the first time (the House will be interested to know) Ontario had a representative at that conference and Ontario, we hope, will be coming in on these same regulations. I haven't got time and I don't want to burden the House with explaining why it is so desirable that Ontario come in on these same Whitefish Inspection Regulations and why they are beginning to realize now in their own interests, and in the interests of the fish industry in their own province, it is necessary that they come in and take advantage of those regulations and become part of them. Mr. Speaker, the House will be interested to know that in two years, as a result of these regulations, we have reduced the rejections at the American border from something over 200 thousand pounds of whitefish to a minimum of a few thousand pounds of whitefish. Mr. Speaker, that's some progress. As I said before it isn't foolproof by any means and there is a lot yet to be done and we haven't found all the answers by any means; but some progress is being made.

I want to say, Mr. Speaker, that it has made a vast improvement in the confidence of our United States customers. Our own provincial representatives who represents the fish board has been down in the United States studying the markets for a number of weeks. He has been down making contacts and establishing the confidence of the American consumers in our product. Mr. Speaker, I want to say to this House that the unscrupulous activities of certain fish dealers in the western provinces almost wrecked the export market for Canadian whitefish. We are gradually building that back. We haven't built it back to its original place yet by any means, but gradually United States officials are beginning to have confidence in our system of grading and the efforts we are making to maintain a reasonable standard in the quality of our product. As I said before, it has meant a tremendous advancement.

Mr. Speaker, this has all meant tremendous changes in the fishing industry. Some lakes which were formerly sold as first grade fish are now passed as '3' fish and must be sent to a processing plant. There are people who are making comparisons on lakes. Mr. Speaker, there are questions being asked in this House since it opened. I believe they are being asked in good faith – they are accepted as such anyway; but I want to say this, Mr. Speaker, that any comparison of prices of fish from different lakes is only a very small percentage of the answer. You must study the grading of those lakes; you must study whether it is fresh fish, frozen fish, round fish, dressed fish or what have you; or whether it is fish at the lake or at railhead or what the price is based on. There are so many factors, Mr. Speaker, that enter into it so that any straight comparison of prices will lead you astray.

I want to say this, that the fact that these fish must be sent in some cases to processing plants is not just for the purpose of processing, nor is it for the purpose of filleting alone, Mr. Speaker. The main purpose there is to fillet them for the purpose of candling and when they are candled then it is possible to estimate the quality of that particular product and you see too that that is the means by which the quality is and you see too that that is the means by which the quality is improved. Mr. Speaker, I want to say, after the fish are candled they are, of course, quick frozen. I will deal with the matter

freezing plants in a moment or two.

As I said before, when these regulations first came in we went over our lakes. We recognized that we were in for a long hard pull in the fishing industry. Manitoba possibly had been a little bit behind in recognizing that problem. They are just now facing up to it. they have a number of lakes which are in the same categories as ours; they now find themselves with insufficient facilities to take care of them. Mr. Speaker, we made a start earlier in the game.

Saskatchewan has a problem all of her own, but when we sized it up two years ago I came, representing the Department, to the Cabinet and recommended that we erect two filleting plants to take care of the situation in certain localities. My colleagues endorsed my action. Two plants were erected. Mr. Speaker, the filleting plants should not be regarded as a passing fancy. They are not the result of some dream I had some night; but they are the result of an economic necessity in the fishing industry. Another thing, they cannot be expected to pay cash dividends, Saskatchewan. It will be a mistake if this House expects that those filleting plants are in themselves going to return substantial profits – I say in themselves, in their own operation, Mr. Speaker, that's an investment. We expect over the years, certainly, that it will be a good investment. Mr. Speaker, the same attitude must be taken to filleting plants. It is a contribution to the fishing industry. It is there as a necessity to the operation of that industry – as an integral part of it – and if they weren't there fishing in those areas would be out of the question in many of those lakes.

I want to say, Mr. Speaker, that some say the industry should fold up. They said what's the use — why bother with the fishing industry, why put money into the fishing industry? Well, in the first place, fish is a very healthful food for our prairie people. There are prairie people, it has been proven who need the vitamins contained in fish as food, but more important is the importance of the fish industry to our provincial economy and particularly to the livelihood of our northern people in certain sections. Now I can readily appreciate the concern of our northern Members, both provincial and federal. I might say that the federal Members in Ottawa today are bringing this question of the fresh water fishing industry to the forefront as never before. For the first time, the fishing industry is being brought forward for an examination and for the assistance that it requires in order to establish it on the proper basis.

Mr. Speaker, there are something over 11,000 people in the northern part who more or less depend on the fishing industry. If we say "Well, out goes the fishing industry." "It's not worth salvaging", some might be heard to say. I believe, Mr. Speaker, that it is; but then if we are not prepared to do something for the fishing industry this province will be faced with the necessity of having to move certain sections of those people out of that country, just the same as we had to move a lot of people out of certain sections of the southern part of the province. That's the problem we're faced with – one of two alternatives. Mr. Speaker, if we have a crop failure in the south we don't move everybody out in one year. If there is a

failure in the price of livestock, we don't ask everybody to go out of the livestock business. You can't build an industry that way, nor can you build a fish industry. We must stay in the fish industry, Mr. Speaker, with a long term viewpoint. This is not the end of the fishing industry by any means, but it does require some assistance. I want to say that the Government appointed a commission to investigate the fishing industry of our province, with a view to recommending certain improvements. This report has just been presented a very short time ago.

We believe that there is a good market for smoked fish in the Province of Saskatchewan where many of our people do not have the refrigeration for that very small part of the year. We have from the Federal Government obtained the loan during the past couple of weeks of one of their main scientific men, a very practical man I am told, I haven't met the gentleman but I hear exceptionally fine reports of the work that he is doing. The federal government has loaned us this man for two or three months. He is a scientific engineer and has had a great deal of experience in the field of processing and handling and storing fish, and I believe that his contribution to the industry in Saskatchewan will be a very substantial one. Mr. Speaker, there's another problem we've been faced with and that is the problem of training the necessary personnel to operate new plants, to operate a new industry in a new way in the Province of Saskatchewan and it has meant just exactly that. It has necessitated a complete reorganization almost from the ground up. Mr. Speaker, no doubt there's been mistakes made. We don't deny that there haven't been mistakes made. Like any other organization in its days of beginning, just like the Wheat Pool, just like any other organization or just like any commercial organization at all. You don't always hit the bull's eye every time, Mr. Speaker. No doubt we have made mistakes, we have learned by experience and the personnel we are training are also learning. I want to tell you, in the main I believe they have done a good job and our efforts have been praised by the federal representatives who have visited here and who are here in the province, Mr. Speaker, this very night. They have been up here on two or three occasions, studying the progress we're making here, and they have expressed themselves as very highly satisfied with the results we've obtained so far.

Mr. Speaker, I want to say that in a matter of comparison of prices we've heard, as some have commented in this House, we've heard a good deal of comments in the papers about the payment for fish. I want to point out to this House in the first place that the price we are paying is an initial price, if the market warrants it.

It's an open market, they can market for the particular area where they please, where there's results. Mr. Speaker, as a result of those conditions, those fishermen are coming today and are asking us to take their fish. Being late in the season, it's difficult if not almost impossible for us to accommodate them. In addition to that, they have obtained advances from these companies and they're in their clutches. They've pretty nearly got to accept for that fish just whatever their company is prepared to offer. That is their position today, Mr. Speaker, as I said before, there's still another trick, there's another card in the pack, it is this: did the man know how much to pay for the fish to the dealer? Some of those same dealers are the merchants, they're not only the transportation agents, but they sell the fishermen their supplies. If you want to get

the complete picture you've got to find out the price they've charged those fishermen for the supplies they sell to them. If you pay 10 cents a pound for fish, but you charge his three prices for a sack of flour, you could give him three prices for fish, couldn't you? Your sales are still bad. And so, Mr. Speaker, for anybody in this House, or outside the House to make an honest comparison of fixed prices you must take the whole picture into account. You want to be fair like these Members want to.

Mr. Speaker, during the past few weeks some of these dealers have been refusing to accept fish. I said before they are only with you in fair weather. Many of them have very little investment in equipment or in buildings. They have an investment in equipment, but that is passed on to the fisherman and they are able to fold up with very short notice if they want to move on, (that is some of them). I want to say, Mr. Speaker, that it's not true of all of them. There are some reputable fish dealers in the Province of Saskatchewan and in the western part of the Dominion of Canada, but there are some that are not so reputable. I wish to say there are one or two operators particularly that I believe have made every effort to carry on a legitimate business in a legitimate way and have made a substantial investment in the industry.

Mr. Speaker, insofar as comparing the different prices of fish is concerned, a few weeks ago some of the fishermen in the Flin Flon area, after a lot of publicity in the papers, invited one of the Manitoba dealers to come up there and hold a meeting with them. Some of our men went in, and when they asked this dealer from Manitoba, "Well what about this variation in the price of fish?" "Well," they said, "About the prices in different lakes." He said, "The first thing I want to know is whether you are talking about fresh fish, or frozen fish or any special fish from these lakes. If you're going to base a comparison of the price of fish from 'A' lakes with the price of fish from 'B' lakes," he said, "there is no comparison at all. As far as we are concerned my company has given me instructions that unless we have facilities to take care of them, I'm not to buy any white fish from 'B' lakes." That was the situation over there.

Mr. Speaker, we have got ahead of that place. We have met it to a certain extent. What we are trying to do is to switch some of the emphasis from frozen fish to fresh fish and from winter fishing to summer fishing. We are doing it very deliberately and for a reason. Tonight the manager at Flin Flon tells me that the fishing companies are not investing one dollar in next year's frozen fish operations and it's not because of anything the Federal Fish Board is doing either. I want to make that plain to the House. The area we are referring to now is an open area. The board has never applied any restrictions in the area on the Manitoba side, and the dealers are refusing to make any advances. You will wonder why they are advancing money now for next year. Mr. Speaker, the supplies that are necessary for the fishing industry in that section next winter must go in in the next two week's time. In fact in less than that. In the next week's time the last tractor train will be leaving for the north country until possibly next Christmas or New Years. The only transportation into that country from that time on will be by airplane and the costing of freighting in there that way is prohibitive so far as the resident is concerned. He must get his supplies in; he must get his nets in; he must get everything in that he needs for next year's fishing in the next 10 days or two weeks.

Our manager informs me that no advances are being made. There is a reason. Therefore, we are switching from winter fishing to summer fishing and the reason for that is cheaper summer production, more uniform flow to the market; steadier income for the fishermen. You know when we started on fresh fish they told about many of the things that were going to happen, but we find that we can have a better quality product in the summertime than in the winter. It is going to mean flying fish at certain seasons of the year particularly; it is going to mean more airplane transportation at certain seasons; and, Mr. Speaker, it is not uneconomical at certain times to fly fish quite a good distance if markets warrant. I mention smoked fish as a possibility and the possibility of canning. Also I might mention to this House the possibility of processing fish offal. If I had time I would explain to this House what we have done in that regard. I just had a telegram this morning wanting another carload. We put a carload out as an experiment, and now the fox and mink ranches in that particular area that it was sent to have had a meeting, and they have wired us for another car. They think the product is so good that they want more of it. It was purely an experiment, Mr. Speaker. It cost us some money to produce but for experimental purposes we did it and I believe it will be possible to work up a market right here in the Province of Saskatchewan. As I said before, some people say why not dump the whitefish from the 'B' lakes and forget about it. Again I say, you can't build an industry on that basis.

Now what we need is protection for our plants. You cannot build a plant, Mr. Speaker – there has been some criticism in this House that the Government builds a plant and then protects itself by throwing a fence around it. But I want to point this out – that anyone who invests their money, whether it is the public or a private individual in the Province of Saskatchewan or in any other province – in order to maintain a fish processing plant, Mr. Speaker, you will see that no matter what government they have they will protect that producer in the area in which he operates. Watch and see if my prediction is not correct. Mr. Speaker, when there are more filleting plants erected in the Province of Saskatchewan, certain protection will have to be given.

Yesterday, Mr. Speaker, we heard some criticism here about the imposition of a royalty which was rather slightly referred to by the Opposition as a method of raising taxes. I want to say to this House that that is not a method of raising taxes. That is a contribution to the fishing industry and to the general economy of the Province of Saskatchewan. It is thoroughly sound in principle and is naturally being applied. I want to say again, this is not a matter of somebody's dream. It was a result of a conference we had at Saskatoon with the other provinces where it was agreed that a royalty would be placed – Manitoba has not seen fit as yet to complete that agreement. Alberta has. Alberta has gone further than we have, Mr. Speaker, and I hope that we will be able to be abreast of them by another year. Alberta has put a royalty on all species of fish produced, whether its produced for fur farms or local consumption or for export. All fish, all varieties. In Saskatchewan we only have certain varieties and that only applied to the fish that is exported.

Mr. Speaker, I want to say that Saskatchewan has taken the lead in this, like many other things, but other provinces are following and I want to say to the House that this is the first

time, (in the last 1½ to 2 years) that the fishing industry has ever been on the right side of the ledger so far as the Province of Saskatchewan is concerned. The fishing industry of Saskatchewan, Mr. Speaker, has always been in the red, has always cost the province more to operate it and administer it, than we got out of it until last year. Last year and this year will be the only two years p to date that we have been able to show a balance on the right side of the ledger. Now, Mr. Speaker, it's true that the fishing industry is experiencing difficulties but it should never be regarded always in the light of being the poor country because it is possible for it to maintain itself and pay its way. We have aided agriculture, we have aided forestry, why not the fish industry. I believe, Mr. Speaker, it's already paying. As a result of its operation, I believe with further investment, wise management, it will be possible to rebuild that industry and it will continue to make its contribution to the economy of our province. I want to say this, in support of the Resolution itself, that the need, our needed assistance is apparent to anyone who had made a close study of the industry itself.

I mentioned a few moments ago the fact that dealers are refusing to finance next winter's operation of frozen fish. Mr. Speaker, they are going to finance fresh fish operations, not frozen fish and we are already concerned about the supply of frozen fish for the foreign trade next winter, for the mail order market and it's something that's going to require immediate attention and immediate organization to make sure that we have in Saskatchewan a supply of the right quality of fish for our own home market. We will not be able to do it without a good deal of organization and planning now. Now, not next July. Our transportation difficulties are such that you've got to start to plan a long time ahead. You're gong to have a flood upon the market through the month of December.

Mr. Speaker, the Crown company has made a contribution in this regard. I said before, it's not the only answer, the fish board. We've made mistakes no doubt, but the Crown corporation as represented by the Saskatchewan Fish Board has opened a lot of trail. It blazed the trail, it has provided a certain amount of ballast to the industry up to the present time. But we cannot expect the Saskatchewan Fish Board to show profits on the right side of the ledger and carry the whole responsibility of reorganizing the industry, of doing all the experimentation, of taking the bump in the reduction of prices and recession of prices and all the other things that are needed and required in the reorganization of that industry and show profits at the same time. Mr. Speaker, that is just a little bit too much to expect in a short space of time from any Crown corporation. As I said before, that is the operation of the plants themselves so far as the filleting end is concerned.

The cold storage end is quite a different thing but so far as the filleting end was concerned it is not expected to be a paying proposition. We don't expect it to. We hope it will break even but we don't anticipate that it will pay substantial dividends. But as I repeat, it must be there as a part of the industry, otherwise you don't have any fishing industry for very long.

Mr. Speaker, as I said this Resolution is suggesting certain things and the fish board has made a start. We have made a start to provide orderly markets. We've already made a start,

it's true. We are in favor of a co-ordinated marketing agency as mentioned here. We think that not only the first figures of The Fisheries Price Support Act should be declared immediately. We believe that a marketing agency should be organized upon which the various provinces are represented so that we won't be in competition with marketing our fish, one against the other. In other words, if we can feed that product on the market in any orderly fashion; and I want to say, Mr. Speaker, that if this House can appreciate the effects on a market of a perishable product that's got to go on that market in the matter of hours in some cases, what the effect is going to be if you have two or three carloads of surplus on that market and no control on it. That's where you find the barometry of the price jumping up and down like that. Because there are always those who will take advantage of those conditions. Mr. Speaker, the need of orderly markets in the various provinces in the fresh water fishing industry was never more apparent and more needed and urgently needed than at the present time.

I believe that in addition to the money that we are paying for the work of the fish board, in addition to the money that is voted for administrative purposes, I would like to see this House give some consideration to a grant. I believe the Federal Government Mr. Speaker, should come to the rescue of the fishing industry just the same as we expect it to make some contribution to agriculture, to forestry or to irrigation or to anything else. I believe that a national economy of the provinces of the West in the fresh water industry, which isn't only tied up in Saskatchewan Mr. Speaker, but it affects large parts of the Dominion of Canada. And I think that with every justification we should look to Ottawa for a portion of that contribution. I don't think that we should expect them pay it all by any means, but I do believe that we should as a province be prepared to put alongside of their contribution to that industry, a contribution on behalf of the province, an investment in the industry itself. And I think, Mr. Speaker, that we are prepared to do that, if we believe that the industry in Saskatchewan is sufficiently important, not only to the economy of the South, but to the livelihood of the people of the North.

I repeat before I sit down, let us not think that this industry can be divorced from the people. It can't. We'll either reorganize the fishing industry or we'll have to bring them out of the north country in certain sections. So let us get that straight. And so there's people mixed up with that, Mr. Speaker, there's home and there's families and all that goes with it. If we're going to deal fairly with all sections, the inhabitants, the residents of the Province of Saskatchewan, it will be necessary for us to give during the next two years increasing attention to establishing the fresh water fishing industry of Saskatchewan on a firmer foundation. Mr. Speaker, this Government has already indicated not only by talking about it, but we've put it on the line. We have done it up to a point. As far as our finances would permit, we have made a contribution to the Saskatchewan Fish Board again. We have contributed something to the building or the laying of the foundation of that industry. I submit again that further investments are required if we are going to put that industry in the place it ought to hold in the economy of our province. Mr. Speaker, I shall support the Resolution.

Debate adjourned on the motion by Mr. Procter.

#### ADJOURNED DEBATE

#### RESOLUTIONS

# RESOLUTION - MORE ADEQUATE HOUSING PROVISION BY FEDERAL GOVERNMENT

The Assembly resumed the adjourned debate on the proposed motion of Mr. Daniels:

That this Assembly recommend that the Provincial Government urgently request the Federal Government to provide more adequate housing in Canada by:

- (1) granting subsidies to citizens in the lower income brackets where rental costs exceed one-fifth of the gross income.
- (2) according housing corporations, set up by Co-operatives and Provincial and Municipal Governments, the same terms under the National Housing Act as are granted to the corporations set up by lending institutions; and
- (3) extending credits through the Bank of Canada at low rates of interest to citizens who desire to build homes for themselves.

Mr. W.J. Patterson (Leader of the Opposition): — Mr. Speaker, I trust that in dealing with this Resolution on the Order paper, I may be allowed some margin. During the course of my remarks, I will do what I think none of the preceding speakers have done, that is I will attempt at least to deal with each of the three proposals that are contained in the Resolution. You may have noticed that while the Resolution contains three separate proposals, one of them was not referred to at all by any of the speakers, the other was only very, very briefly referred to and then largely because of the question which I directed to the Hon. Member who moved the Resolution and the third paragraph was dealt with in a very indefinite manner. This, on the surface, might appear to be another one of those 'ask and ye shall receive' resolutions. But this year as last year and the year before, the debate to date has not indicated any serious attempt to solve an admittedly serious problem but rather been taken as an opportunity to condemn both the Federal Government and private enterprise in Saskatchewan or at least in Canada. It has been used so far, very largely, as a resolution to indicate approval of and support of the Curtis Report. I must confess that these Hon. Members who have spoken have found that report a very useful one upon which to base a political argument.

The housing situation in Canada is admittedly, as I have already said, a serious one, an urgent problem, one which is sufficiently urgent and serious to warrant it being discussed. Not from a political point of view or with a view to gaining political advantage but with a view to finding some solution to the problem or to work out some ways and means of improving the situation that does exist. On this matter as on many other matters, there is a tendency and particularly on the part of those who as I have suggested wish to make political capital out of the situation, to greatly exaggerate the conditions and that policy, that method was followed when this Resolution, at least a resolution of this type was introduced two years ago,

again last year and again this year. the Minister of Reconstruction, in speaking to the Resolution, took a somewhat different line than he did on the first occasion. Then, you will remember, he devoted nearly all of this time to condemning private industry, or at least private enterprise. This year more of his criticism was directed to the Federal Government.

Now, the gentleman who seconded the Resolution told us that the CCF Party at Ottawa have a plan to meet the housing situation and to remedy the housing problems. He didn't go so far as to tell us what that plan was, but as so frequently is the case in connection with socialistic plans, it apparently is a rather vague and indefinite one and that it consists more of promises than of performances. He also told us that the CCF in Regina have a plan. Well, now, I haven't been able to find it unless it's the one that's contained in the CCF program for Saskatchewan that was issued about two months before the provincial election in 1944. This, I'm reading from the program:

That this convention go on record in recommending the following and necessary steps to assure the essentials of life and happiness.

- (1) Adequate housing for the thousands of families that are now living in slum areas and in crowded tenements in our cities and that this program also should include the re-housing of our citizens in the rural areas and that our natural resources be developed to the fullest extent to bring this about.
- (2) The development of the vast north land so that tremendous wealth in lumber, minerals and water power which now lies undeveloped be brought into full production by the establishment of commercial air lines, owned and controlled by the people and operated by trained pilots.

I am a little in doubt in my mind as to how operation of commercial airlines is going to bring about the industrial development of the lumber, minerals and water power of the far North. And the third one, which I think must be read in connection with these, a CCF Government can raise money from the development of natural resources under public ownership as outlined in section 'B' above, it might begin with the coal industry and the lumber industry and proceed to develop the other natural resources as quickly as the necessary information can be obtained and the necessary plans made.

In 1944, the CCF Party in Saskatchewan realized that there were, as they say, thousands of families living in slum areas and all that sort of thing. They had a definite, or at least a reasonably definite and clear cut program as to how they would remedy that condition if they were returned to office. In two or three months now they will have been in office for three years and their present proposal to solve the housing problem or the housing situation in Saskatchewan is to ask the Federal Government to do something about it. So that, as I say, the CCF program in Regina for housing is a very different one today from the program and the promises that they submitted to the people of this province when they were seeking election.

There were some of these statistics that were quoted in the Curtis Report. I'm not going to question the correctness of them, but it did seem a little difficult for us to accept them without some question. It was stated, for instance, I

think by the Hon. Member who seconded the Resolution that two-thirds of the homes in our cities are occupied by tenants. I'm quite willing to admit that it would be a very desirable thing if every family in Saskatchewan, every family in Canada, could own its own home. However, there are a great many people who for one reason or another prefer to live in rented premises, whether they be apartments or individual dwellings. But I am not prepared to accept the statement that, say, for instance, in either the city of Regina or the city of Saskatoon or for that matter in any part of the Saskatchewan that only one-third, because that's what this statement means, that one-third of these homes are occupied by their owners. I'm quite positive that's not the case insofar as the Province of Saskatchewan is concerned. Now, the same gentleman found fault with the Government of Canada, of course, for allowing the construction of high-prices houses, movie theatres and buildings of that kind. But apparently it's quite permissible or quite alright for the Government of the Province of Saskatchewan to also engage in what might be regarded as unnecessary construction. Construction in some cases that runs into very substantial amounts of money. But, as I say, it's wrong for one Government to permit this thing, it's alright apparently for another government to engage in ...

**Mr. Douglas**: — May I ask my hon. friend what building he has in mind?

Mr. Patterson: — Well, I have in mind some liquor stores that have been bought, or been constructed. I have in mind certain Government offices that are being built, one at Prince Albert, certain warehouses that I understand have been constructed, and incidentally the purchase of a good many buildings for Government use that of course have forced the tenants in those buildings to seek location somewhere else. The Minister of Reconstruction has told us that he wished we had a Silkin's Bill. Well, why not? The Government of this province, if it so desires, can have a Silkin's Bill in the Province of Saskatchewan, that is up to the Government. That certainly is not the fault of the Government of Canada. Now, the Resolution does not refer to any particular class of housing so it can be read to include farm housing. But the discussion that took place by the mover, by the seconder, by the Minister of Reconstruction, the whole subject matter of their debate had reference to urban housing and possibly in some respects that's the most serious situation of the two. But so far as I am concerned I want to be on record as recognizing that some consideration should also be given to the question of rural homes or farm homes in this province.

In 1944, the Parliament of Canada passed a National Housing Act which made a number of alternative methods available for the construction and improvement of farm houses. That Act was amended in the session of 1945 and again in the session of 1946. The National Housing Act with the amendments which have not in many respects materially changed the fundamental principles of the Act, provided for what might be regarded as two classes of construction. One, to encourage construction, by people or companies that had money to invest in houses from the investment point of view and tied up to that to a certain extent to assist the individual who wanted to build his own house who had a part of the purchase or the cost price available to him. The other section or group was to make provision or assist in the construction of houses which would be available to people in

the lower income class brackets, that was to be accomplished by this type of housing or this form of housing being undertaken by corporations where the profits they could earn was strictly limited and or to co-operative organizations of some kind. Now, a limited dividend housing corporation is one as I have explained where the people who invest their capital are limited strictly to a maximum as to the profits that they can obtain. In this connection, because of the provisions of the Housing Act where the Federal, the central mortgage investment bank or whatever you call it, advances 90 per cent of the cost at 3 per cent, the capital invested by the private investor, of course, is a very small percentage of the total cost and even if he is allowed some three or four or five per cent profits it represents a very small percentage of the earning or the rental earning of that particular house.

By an amendment passed at the session of 1945, provision was made for the same type of assistance, not the same in detail, but to co-operative housing projects, and as I explained on a previous debate our Provincial Co-operative Act allows co-operatives organized under them to embark on housing projects and as I say the Federal Government through this investment bank, or whatever, I forget what they call it, I had the name here, a Central Mortgage Corporation is in a position to assist those co=operatives in financing the construction of houses. Now, the mover of the Resolution quoted from some book that he had, some blue book, as to the success which I think it was Nova Scotia has attained in the development of co-operative housing and according to the statistics or the information he gave us on that occasion this form of limited dividend or co-operative housing, the provision of housing particularly for people in the lower income brackets, has been very successful and very effective in that province. A day or two ago, there came to me through the mail a copy of 'Co-operative Development', a printed sheet that is sent out every little while, I think maybe once a month, yes, once a month, by the Department of Co-operation in this province. The first article that appeared in this newsletter, has to do with Alberta's success in co-operative building. When I say co-operative building I don't mean building co-operative businesses, but I mean the building of houses. There is a note here in the article:

Two co-operative building associations have been organized in Alberta. The first of these in Edmonton in 1942 has financed to date the construction of 46 homes for its members. The second organized in Calgary in 1944 has financed the construction of 11 houses.

So we might reasonably ask why this Government, if it finds it now impossible to carry out the program that it adopted a couple of years ago and has to make some variation from it, shouldn't move in the direction which has been taken, successfully apparently in Nova Scotia and with sufficient success in Alberta for the Minister of Co-operation in this province to bring it to our attention.

Dealing with the individual paragraphs in the Resolution, Mr. Speaker, the first one under the general request to Ottawa for assistance is that this form of assistance should (1) granting subsidies to citizens in the lower income brackets where rental costs exceed one-fifth of the gross incomes. As I stated at the outset neither the mover or any of the other speakers developed any plan or program to do this except in response to

a question which I addressed to the Hon. Member for Canora. He suggested in reply that he thought the Government of Canada should pay monthly some part of the rental bill of people who would come within this category. Now, that might be possible, Mr. Speaker, I won't say that it would be impossible, but it certainly would be a very impractical, very cumbersome and very costly administration.

I think that the Government of Canada is on the right track when it suggests that the way to meet this particular phase of this problem is by getting housing constructed under either one of the two methods that I have suggested, that is under the limited dividend housing corporation or under the co-operative scheme. In that way, with much less expense, must less administrative difficulty and on a much more flexible basis, this objective could be obtained.

The second part of the paragraph says that they want the Federal Government to accord housing corporations, set up by co-operatives and provincial and municipal governments, the same terms under the National Housing Act as are granted to the corporations set up by lending institutions. Now, I have attempted to study as carefully as I could the National Housing Act. It's rather a complicated bill. Substantial amendments were passed in the two subsequent years since the original bill was passed. I won't claim that I am even well or soundly informed as to all of the provisions of the bill, but so far as I can read it, co-operatives housing corporations are granted better terms and more consideration under that Act than are granted to these corporations in this respect that the Federal Government will advance a larger percentage of the cost and make the financing insofar as the local co-operatives or the local members of the co-operatives, a very simple matter. I presume that must be the case in view of the success which has been attained in the cities of Alberta, the cities of Calgary and Edmonton where I would presume that the condition of the people financially and otherwise is very similar to that in Regina or Saskatoon or Moose Jaw or any other part of the Province of Saskatchewan.

With regard to the third paragraph of the Resolution, this is the one that none of those who have spoken have even mentioned, insofar as listening to their address is concerned, we wouldn't have known that it was in the Resolution at all. This, of course, is the old chestnut who asked the Bank of Canada to finance these requirements at low rates of interest. I though that by this time all of the political parties and leaders in Canada had pretty well dropped this theory or this idea except the Social Credit Party. I understand that the Social Credit Party still believes in a policy or in a theory something of that kind. But it's a very long time indeed since I have heard any responsible leader of the CCF Party indicating this is the way to finance any requirement of this country, this Dominion under present conditions.

**Mr. Douglas:** — May I ask a question? ... right out of the Bank of Canada?

**Mr. Patterson**: — Not out of the Bank of Canada.

**Mr. Douglas**: — Is taxed by the Bank of Canada?

Mr. Patterson: — No, it's a separate organization. The Dominion Government puts up so much money and then sells its bonds and as I say, nobody any longer except the Social Creditors have advocated or do advocate this form of financing. Surely the experience of countries which have depended upon their central banks to print money and make credit available without regard to what you have, haven't had a very happy or a very fortunate experience. The central Bank of New Zealand doesn't do it, the Central Bank of Sweden doesn't do it, the Central Bank of the United States doesn't do it; and I don't think the Central Bank of Canada should do it.

It is quite true, Mr. Speaker, that the shortage of housing is a universal condition and there's a good deal of it even in that paradise on earth, New Zealand. When we were discussing in the House the question of shortage of teachers, the reason was that it was something that was universal throughout the world. but when we're discussing the shortage of housing in Saskatchewan then the fault is the fault of Government of Canada. Now, I think it would be fair to say that the shortage of houses that has existed for the last two or three years has not been due to any lack of funds or any question of funds being available or being obtainable to build houses. the real problem has been to secure first the materials and second workmen to do the work. Now by increasing the agencies, by giving the municipalities power to set up a corporation to undertake housing or for the provincial government to set up a housing corporation, will not in my mind change or improve the situation one bit so long as these shortages continue and, unfortunately, it appears probable that they may continue for a little while yet. The increasing of the number of agencies which are going to undertake housing is not the solution to our present problem or to find more money to undertake the work, because even if we had twice as much money available and twice as many organizations or corporations carrying on the work, the only result would be to create greater competition between these organizations all of them anxious to make a showing for their particular organization. And I would suggest, Mr. Speaker, that if we're going to have any further corporations engaged in the housing business, construction of houses, let us try out the co-operative plan such as they have in Australia, in Nova Scotia and such as they have in Alberta.

This Resolution and these ideas have been thrashed out before in this House in two previous sessions and it is, therefore, not necessary to elaborate or to go into any greater deal with respect to the matter at this time, but following up what I have said, and I hope, Mr. Speaker, you will agree that I have dealt with this Resolution as it appears on the Order paper and with all the phases of it that are revealed in the Resolution. I'm going to move, seconded by the Hon. Member for Rosthern that the motion be amended by:

Striking out all the words after "Government:" in the first line and substituting the following therefore:

Take early action to provide more adequate housing in Saskatchewan by promoting and assisting the organization of Limited Dividend and Co-operative Housing Projects under the National Housing Act.

Debate adjourned on the motion of Mr. Douglas.

The Assembly adjourned at 10:45 o'clock p.m.