

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fifth Session - Tenth Legislature**

Wednesday February 25, 1948.

The House met at three o'clock.  
On the Orders of the Day.

**Hon. C.C. Williams (Minister of Labour):** — Mr. Speaker, before the Orders of the Day are proceeded with, I wish to bring to the attention of the House, a headline which appeared in this morning's Leader-Post as follows: "Apprenticeship Act Violations Alleged", and then it goes on to refer to some remarks made in the House yesterday by the hon. member from Moosomin. I will just read one of the paragraphs — it is very brief:

"Charge was made in the Legislature Tuesday by A.T. Proctor (Liberal — Moosomin) that some employers who had signed apprenticeship contracts were now releasing apprentices and thus breaking their contracts. Such action is contrary to the whole scheme of The Apprenticeship Act — Mr. Proctor told the House during his Committee discussion of Amendments to the Act."

Now, I have looked into the case he referred to — he was good enough to send a note over and give me the name of the party he referred to — I have looked the matter up and find that there has been absolutely no violation at all. Apparently the hon. member has considered that an apprentice could not be laid off at any time; and just to keep the record straight, I will read you a definition of an apprentice, as contained in The Act, and here it is:

"An apprentice means a person at least sixteen years of age, who enters into a written Agreement with an employer, to learn a skilled trade requiring a minimum of four thousand hours of reasonably continuous employment, and which provides a program of practical experience and related technical instruction for such person."

Now, the case referred to was not a violation of the Act, and I hope that the Leader-Post — perhaps tomorrow morning — will print another headline reading something like this: "Alleged Apprenticeship Act Violation Incorrect".

**Mr. Procter (Moosomin):** — Is it not a violation of The Apprenticeship Act to lay an apprentice off for an indefinite time without pay and without giving any information as to when he should go back to work?

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Hon. Mr. Williams: — Mr. Speaker, it is not.

## SOCIAL SECURITY

Motion Urging Dominion-Provincial Conference.

**Mrs. Trew (Maple Creek):** — Mr. Speaker, when the Federal Government called a Dominion-Provincial Conference on reconstruction in 1945 — and particularly when the Hon. Brook Claxton, the Minister of National Health and Welfare, presented his proposals on Social Security — it was felt by many of us that a new and far-reaching step forward was about to be taken in Canada. Their subsequent weeks and months of discussions and disagreement were a great disappointment to us, culminating as they did, finally, in an indefinite adjournment of the Conference. However, since then, seven of the provinces have, by separate meetings with the Federal Government, signed tax agreements. It is my understanding that all governments concerned have left the door open for a resumption of their collective discussions.

Our Saskatchewan Government has more than once asked Ottawa that further Conferences be held for the purpose of implementing the Social Security measures in their proposals. At the last Session of this Legislature, a Resolution was unanimously passed asking the same thing. Seemingly, there have been no results; but in the belief that 'constant dripping will wear away even the hardest stone' — that of the governments heart — I am today, Mr. Speaker, asking that we continue our request. In other words, I propose to move:

"That this Assembly urge upon the Dominion Government the necessity of immediately calling a Conference of all provinces; (or at least the provinces which have signed taxation agreements) for the purpose of implementing the Social Security measures concerning National Health Insurance, extended Old Age Pensions, and Unemployment assistance, presented to the Dominion-Provincial Conference in August, 1945."

I should like, for a little while, to dwell on the general theme of Social Security; to reiterate some of its essential qualities. It is interesting to make a study of the evolution of our present-day thinking on the subject. It is an outcome of the ambition of the individual to obtain for himself and his, a proper security; a reasonable leisure; and a decent living throughout life. Gradually through the years, has come more and more recognition of a need for society as a whole to look after its weaker or unfortunate members. At first, the very minimum was done; and this only

to those in the most dire need. I say 'at first'; but does not our memory of the 'thirties in Saskatchewan, tend to make us realize that our governments of that day had progressed too far.

Back in the seventeenth century in England, Sir Matthew Hale had this to say:

"The relief of the poor is an act of great civil prudence and political wisdom; for that poverty is in itself apt to emasculate the minds of men, or at least it makes men tumultuous and unquiet. where there are many poor, the rich cannot long or safely continue as such, for necessity renders men of phlegmatic and dull natures, stupid and indisputable; and men of more fiery or active constitutions — rapacious and desperate."

Here, relief of the poor was advocated so that the rich would be safer from violence; and I sometimes feel that is as far as some people, even now, would go.

A few days ago, I came across a gem on the Editorial Page of the Leader-Post. It was a quotation from a recent speech of Right Hon. Arthur Meighen, before the London Branch of the Toronto Alumni Association. I quote:

"We make education free; that is, elementary education. Public schools for the young are open and free. What is taught there is necessary for the tasks of life; and children cannot take care of themselves. Our high schools and collegiate institutes are all but free; but the open door of the university for higher education on a mass scale, is a symptom of the malady which is eating at the vitals of society. Step by step, we are substituting a so-called Social Security for self-reliance."

I wonder just how much self-reliance it would take, for instance, for the son or daughter of a widow who had nothing but Mothers' and Family Allowances to live on, to get through University. He goes on — quoting again from Mr. Meighen:

"What is this Social Security we have been hearing so much about? In a factual sense, there is no such thing. This is a world of danger and adventure. Certainly, there can be no such thing as Social Security handed out by the State. It is for man to make his way. To pay the penalty for his failures. To grow strong by his struggles. To give employment by his enterprises. To inspire others by his victories; and to help the unfortunate by his success. Too much government means little men. It is only by battling with burdens and dangers, that self-reliance becomes a reality."

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All this comes under the heading of "Perils of Paternalism," and is prefaced by the commendation of the 'Leader-Post' writer, he says: "This speech has a timely application to political conditions in Saskatchewan."

In striking contrast and illustrative of how far in advance is the thinking of British leaders, is the following quotation from the Rt. Hon. Winston Churchill, in 1939:

"I do not agree with those who say that every man must look after himself, and that intervention by the State in such matters as I have referred to will be fatal to his self-reliance, his foresight, and his thrift. It is a great mistake to suppose that thrift is caused only by fear; it springs from hope as well as from fear. Where there is no hope, be sure there will be no thrift."

The Federal Government of Canada, when it made its Social Security proposals to the Dominion-Provincial Conference in 1945, was very definite in them.

In detail, Mr. Claxton told the Conference how far it would go towards making possible a really national system of aid to those in need. I think — although most of us would like to see them go farther in these respects — that yet on a whole we all agree the implementing of these proposals would be a real step forward. Saskatchewan and six other provinces have signed taxation agreements with the Dominion; our province at least, with the hope and belief that this would lead to the much wider and greater benefits proposed. We have gladly done our share; now we ask the government at Ottawa to call together immediately, at least those provincial governments who have shown themselves co-operative, and discuss further the whole problem. I submit, Mr. Speaker, that any farther delay in the calling of such a Conference would lead to grave doubts as to the sincerity of the Federal Government. In Saskatchewan, we have gone ahead with measures that prove — in a practical manner — our willingness, even our eagerness, to avail ourselves of every form of assistance preferred. We have done this in good faith on our part, trusting in the good faith of the senior government in that it meant what it said and would do what it promised.

I must confess, as the months pass, and as I read more and more comments — such as I mentioned earlier — and listened to some of the things that have been said here and elsewhere by Liberal politicians, I am much disturbed.

In the January 31st edition of the 'Financial Post', we read that no consideration has been given to Mr. Mackenzie King's Cabinet, of any definite scheme of extending Social Security. So, I urge that this Assembly

Speak out in no uncertain voice.

Our Saskatchewan Government has asked for a resumption of the Conference. It now needs the unanimous voice of this Assembly, to give emphasis and urgency to its demands.

In case any of us have forgotten just what specific things were proposed in August of 1945, I will list them. Concerning National Health Insurance — four things were proposed as follows:

- (a) A grant for planning and organisation;
- (b) Health Insurance;
- (c) Health grants;
- (d) Financial assistance in the construction of hospitals.

The grant for planning and organization in Saskatchewan was estimated to be \$49,900. The object of this grant was to make it possible for each Provincial Government to establish a full-time planning staff to prepare for and organize Health Insurance benefits within the province. Here in Saskatchewan, we felt this to be such an urgent need that we did not wait for government grants, but began this work on our own account and out of our own resources.

We have, in the personnel of the Health Services Planning Commission, men, outstanding in their field. I would say that in the person of the Chairman — Dr. Mott — we have probably the best man, for that purpose, in the North American continent. Dr. Mott is a B.A. of Princeton University; an M.D., C.M. of McGill University; has ten years experience in medical administration in rural health service programs — particularly in the field of Health Insurance, including serving as a chief Medical Officer of the Farm Security Administration, United States Department of Agriculture. Also, chief of the Health Services Branch, Office of Labour, U.S. Pure Food Administration; Lt. Col. of the U.S. Public Health Service, from 1943-46.

The Vice-Chairman of our Planning Commission — Dr. Rosenfeld — has degrees from New York University; M.P.H. from Johns Hopkins University at Baltimore; was Industrial Hygiene Physician for the New York State Department of Labour for six months in 1937; chief of the Field Party, Division of Health and Sanitation, Institute of Inter-American Affairs, from June 1942 to January 1946; and had a special Fellowship from the International Health Division — Rockefeller Foundation — during May and June of 1946, for the study of medical care.

Dr. Hanes — also a member of the Commission — the Deputy

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Minister of Public Health, has three degrees — B.A., M.D., and D.P.H., from the University of Toronto; 30-months' post-graduate internship at a hospital for sick children in Toronto, including one year as Senior Resident Physician; 21 years' experience in public health administration, including one year with the City of Toronto and two years with the Department of National Health, Ottawa.

There can be no doubt in anyone's mind, I believe, that the province is fortunate in having such men; and no doubt, also, that these services could not be obtained without some considerable expense, in which, I contend, the Federal Government should share.

In the Health Insurance proper, the proposed Federal Government's contribution, to the cost of each benefit, carried with it a maximum figure of \$12.96 per person, when the complete program is in operation.

With our experience in mind, in hospitalization over the province and in much fuller health services as provided in Health Region No. 3, — it would seem to me that these figures should be revised upwards. For instance, in Swift Current Health Region the costs per capita of medical services — which include specialist care and surgery — are \$9.63, plus \$1.22 for diagnostic services — making a total of \$10.85.

After further study following questions raised by the provincial officials of health, the Dominion Government revised their proposals on payments in 1946, to make estimated cost of general practitioner service \$5.00 instead \$6.00; and hospital care at \$4.60 instead of \$3.60; but the total remains the same.

Our hospitalization plan has shown that in 1947, the cost of hospital care per capita, will probably be \$10.00. Adding that to \$10.85, we have \$20.85. Under the Dominion proposals, the cost for all these services was estimated at \$13.70 — there is a difference of \$7.15.

It must be remembered too, that payments in the Swift Current Region are made on the basis of 75 per cent of the 1937 schedule fees of the College of Physicians and Surgeons; and that most surgical services are rendered by men carrying on a general practice, and are paid for on that basis. The costs of specialist services would be much greater where such services are readily available to the community.

It should also be borne in mind that in a more densely populated area, where travel to a physician, would be a less important factor, expenditures for all medical services would be much higher on a 'fee for service' system of payment. So, I wish it understood that when I speak in favour of these proposals being implemented, I am

bearing in mind the suggestion that the figures of grants payable would have been revised at the end of three years. It is not to be thought, either, that there would not come changes in plan, arising out of discussion — undoubtedly there would — but especially for our province where much has been done already towards Health Insurance; and for our Region, where even more has been undertaken, it is essential that a beginning be made by getting the provinces and Dominion together again to iron out their differences and make any necessary adjustments in the light of the experience of the last three years.

The fourth — in the specific proposals with reference to health — was health grants. These included a public health grant of \$313,600, which would be of great benefit in assisting to pay for the greatly increased public health services in Saskatchewan; a tuberculosis grant of \$180,000 — treatment of tuberculosis has been free to the patients for many years, in the Province of Saskatchewan, but this sum of money would be very acceptable in making possible greater preventive work, such as that presently proposed. A mental health grant of \$310,000, is, I would say, long overdue. The care of our mentally ill in Canada has nowhere received the attention it merits. There were 45,124 beds in mental hospitals in Canada in 1945; and Mr. Martin estimated that there should be an increase of 6,000 beds to reduce the present over-crowding, alone. This is an immediate need, and many of the existing hospitals are so over-crowded as to be unable to give even fairly adequate treatment to the patients. Ideally, according to the Dominion Bureau of Statistics, there should be an additional 21,420 beds in mental hospitals. It is estimated that to build a properly equipped and constructed mental hospital, it would cost \$3,500 to \$4,000 per bed. Mental health clinics — such as began in Saskatchewan — should be continued and extended; for surely in this field, even more than others, the underlying causes of mental illness should be explored, and all possible preventive measures taken.

A venereal disease grant of \$29,500 was proposed. A crippled children's grant of \$500,000 was to be made available to assist the provincial Governments in meeting the urgent need of an extensive program for the prevention and treatment of crippling conditions in children. Saskatchewan's share was to be \$38,800.

In 1944, there were approximately 50,000 crippled children in Canada. A grant of \$500,000 would be an average of \$10.00 per child — quite inadequate, considering what needs to be done in this connection. Leaving out of consideration, for the time being, the individual cases where the parents are quite unable, financially, to pay for treatment and training for such jobs as are available — there is the whole question of provision of facilities for the care of crippled children.

At the risk of wearying the members with a repetition of what I have said in this House and outside of it, I must say again

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that this is something which has never been given the attention it deserves. To date, their care has been largely left to voluntary organizations — the Red Cross, and various service clubs. Because of their limited funds and facilities, the care of these children has been very unsatisfactory in many parts of the country. In 1937, the Canadian Council for Crippled Children, was organized as a link between the various organizations caring for them.

I would suggest that, first of all a recording and reporting system should be set up to determine the actual extent of the problem. I am not sure how the figure of \$50,000 children was arrived at, but it is probable that any Provincial Department of Health, surveying rural areas in particular, might find some surprising things.

Then, clinics for diagnosis and treatment, including free appliances should be provided. In many cases, free transportation would be required. But, probably most important of all would be the developing of a scheme for vocational training and placement in co- operation, of course, with all the existing agencies.

Probably, most of the members of this Assembly have had the same experience as I have had when parents have asked for information: "Where can I take this child for treatment? Where is there a specialist that can help this child, or a hospital that will take him or her in?" And probably, like me, they have had great difficulty in ferreting out even what little information was available. I say, one thing that is very much needed is a setting up of a directory of services for crippled children — listing all the agencies and organizations giving service to crippled children; and a description of their service. I believe the hon. members will see that much more money will be needed for such a program; but at least, let us have the \$38,000 to make a start.

The Professional Training Grant of \$250,000, to be divided among the provinces, was to assist in training of personnel in the field of public health. Our government has already got something in this respect, but there is a very grave shortage of adequately trained workers.

A small grant for Public Health Research completes the proposals with regard to Health, except for the amount to be made available for civilian blind. The pension age for blind persons has been lowered from 40 to 21 years; but there was a further suggestion of money being made available to assist the provinces to provide for treatment of the blind, who will benefit therefrom; and for persons suffering from conditions which might lead to blindness. In Saskatchewan, we have already voted money for this; the first vote of \$20,000 being passed in



1945.

We are, I believe, the only province in Canada that is not only ready to take advantage immediately of the Dominion's proposals, but that has already helped some people, out of our own resources, to prevent illness overtaking them.

It is probable that proper medical and optical care could, over a period of years, considerably reduce the incidence of blindness. For example, in 1942, on checking 542 applicants for Blind Pensions in Canada, it was found that of the 356 who were approved for pensions, 129, or 76 per cent, might have useful vision restored by proper treatment; and that of the 178 not approved, 124, or 70 per cent, might have vision restored.

Under The Pension Act, dealing with the blind, there is no provision either for treatment or prevention, and consequently, there are many drawing pensions who could be removed from the rolls by adequate treatment.

Turning to the part of the Federal proposals dealing with extended Age Pensions, we find they are twofold:

(1) A National Old Age Pension entirely financed and administered by the Federal Government, and paid at the uniform rate of \$30.00 per month — regardless of means — to men and women aged seventy and over in all parts of Canada.

(2) Old Age assistance for persons of age 65 to 69, in cases of need, with the Provincial Government administering this and paying 50 per cent; with the Federal Government paying 50 per cent of \$30.00 a month.

I was taken to task by a correspondent last year, for saying that the proposals in connection with the Old Age Pensions, were a step forward; but I am prepared to repeat that paying even \$30.00 a month — without a 'means test' — is an improvement. In saying that, it is understood that I consider the sum inadequate, and shall continue to press the Dominion Government to pay \$50.00 a month at the age of 65. But, for the rest, I cannot do better than quote from the Hon. Brook Claxton's own words:

The principal feature of the proposed National Old Age Pensions, is the elimination of the 'means test' after reaching age 70, regarding this as unsuitable for the oldest group in a community, over 80 per cent of whom are not, in fact, capable of supporting themselves in useful remunerative work. Payment of pensions as a right, to people of this age, offers the best kind of economic security. It removes the fear of destitution much more certainly than any other method, and relieves old people of the necessity of seeking work, or of

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endeavouring to keep on working in unfavourable circumstances, and beyond the age at which they should be able to retire without dependence on charity or burdening the family.

In addition to providing a minimum subsistence for those with no other resources, this system would enable other persons, with moderate private savings, to retire from active work sooner, or in more comfort than would otherwise be possible."

With all of this — except the claim that \$30 a month is a subsistence — I am in agreement. I wonder how a government, believing that, could have gone so long without doing it!

The Federal Government also proposes to pay 50 per cent of the cost of pensions administered by the provinces with a 'means test' for those between 65 and 69. Personally, I would prefer that this be considered as a retirement pension — with a payment of it conditional upon retirement, rather than a 'means test'; but I realize that such a pension, to achieve the purpose of encouraging retirement, would need to be larger than \$30.00 a month, and should be financed by the Federal Government. But in the mean time, any amount of assistance from Ottawa would be of great benefit to our province, for, at the present time, these cases constitute a great part of our payment for social aid. Such a plan, also, would enable the province to help those whom it has not yet been able to.

With regard to unemployment insurance — the Dominion Government, through the Minister of Labour, has this to propose, and I quote:

"The Dominion Government would accept responsibility for insuring that there shall be provided a reasonable minimum payment for the maintenance of employable unemployed persons, through:

- (a) The extension as rapidly as possible of unemployment insurance, to cover all employees;
- (b) In a period when such extension is being carried out and before insurance benefits — properly so-called — can be built up by instituting a system of unemployment assistance to be administered in close co-operation with the Unemployment Insurance Commission, and applying the same tests and procedures."

With the picture as it is in Saskatchewan, we are quite right feeling some concern over the lack of apparent progress in implementing part of the plan. It is essential for a province such as Saskatchewan,

because we must remember that the scope of the present unemployment insurance does not extend to farm employees and domestic servants, among others; insured persons who do not qualify for, or have exhausted their benefits in prolonged unemployment; young persons who have not been able to start employment; and previously self-employed — such as farmers, tradesmen, trappers, etc., — who give up their enterprise and seek employment.

With the uncertainties of weather in Saskatchewan, and the uncertainties of our present federal policies, it could seem very necessary that immediate action be taken, in line with Mr. Mitchell's statement that "As rapidly as possible, the Unemployment Insurance Act will be widened to embrace all employed persons." I recognize, of course, that the Act cannot easily be extended to such irregular employments as I have mentioned, or to those such as domestic employees, where, as a general rule, there are only one or two employees per employer; but I do not believe the administrative problems cannot be overcome. Women's organizations, in particular, have shown great interest in the question of employees for household work. In Saskatoon, a four-months' course is given to fit young women for this work under an Agreement between the Dominion and the Province, in which the Department of Labour at Ottawa is involved. And yet, on completion of this course, the young women — unless they go to work in a boarding house or an hotel — do not come under unemployment insurance benefits. In addition to domestic employees, we might expect in Saskatchewan in a period of depression, to have a considerable number of young persons who have not been able to start employment, and we do not want to return to \$5.00 a month provision for them; nor for farm employees who might be thrown out of work by reason of the inability of the farmers to employ them.

The old method of providing relief must not be allowed to occur again with such government, municipal, provincial and federal, trying to shove the responsibility off others' shoulders.

I feel that since, in the main, we are unanimously agreed that these proposals, if implemented in their entirety, would be of great benefit to our province as a whole, and to a great number of our citizens individually; and since seven of the provinces — including Saskatchewan — have signed agreements by which minor taxing powers have been transferred to the Dominion for a stipulated period of time; and since there has been no indication of intentions — by the Federal Government — to convene a new Conference in order to discuss the Social Security proposals, in spite of the fact that the Provincial Government was led to believe that further Conferences were to be held to deal with these; we should pass the Resolution I am proposing. We should pass it unanimously, and thus convey to the Dominion Government the knowledge that all the representatives of Saskatchewan people in this Legislature are agreed with our government's stand on the calling of a further Conference, and the bringing into being in Canada, of something more nearly representing true Social Security.

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I will just say this in closing, that the Dominion Government, in addition to its greater taxing powers under existing agreements, also has power such as no provincial government has, to promote policies that will lead to full employment. We will need full employment and increased production so that the burden of caring for the unfortunate in our midst may not be too difficult. In this connection there is a further argument for the acceptance by a Federal Government of an increased financial responsibility for health, as the maintenance of productivity through safeguarding the health of the people is a matter of national concern.

We all remember the stress laid during the war on the loss to our war industries occasioned by absenteeism due to poor health. Health services form an integral part of national, social and economic policy, the objectives of which depend in large part on high standards of health. The maintenance of high levels of employment and income, and the development of a comprehensive social security program, require a healthy population and more and better health services.

Recently, in a book written by Carl Schweinitz, director of the Committee on Education and Social Security of Washington, I came across the following quotation, which I pass on to you as expressing my sentiments better than I could: "We must, and do, assume that the bulk of mankind who are able to work are willing to work, and that they will strive for something more than a dog-house subsistence or a dole. Discipline that is enforced by deprivation of the elementary necessities of life, the discipline of cold, hunger, illness, should not be permitted to operate below that level of a minimum standard of security, certainly not in a land of plenty, where there is enough to go around. Above that level is not fear, but hope that moves men to greater expenditures of effort, to ingenuity and emulation to sharp struggle for the values they seek in life; hope set in the framework of justice, liberty, fair play and a fair share of the gains of civilization."

Therefore, Mr. Speaker, I move, seconded by Mr. Daniels: "That this Assembly urge upon the Dominion Government the necessity of immediately calling a conference of all provinces, or at least the provinces that have signed taxation agreements for the purpose of implementing the social security measures concerning national health insurance, extended Old Age Pensions and unemployment assistance presented to the Dominion Provincial Conference in August, 1945."

**Mr. D.Z. Daniels (Pelly):** — Mr. Speaker, there are two aspects to Social Security; first, the humanitarian or social aspect, and the other the economic or financial. Many would think that these separate or somewhat conflicting, but we on this side of the House have always looked on these two as being supplementary to one another. They go hand in hand to help provide steady employment, steady production and good income, all contributing to human happiness and human welfare.

The Last War was not fought merely against aggression abroad. It was fought to retain those things in life dear to the hearts of all of us, and uppermost among these were freedom from want and freedom from fear. These freedoms cannot be gained by provinces fighting for them singly, any more than the provinces could have fought the war with individual effort on the part of each rather than had it been a Dominion responsibility. During that war we achieved new high levels of employment. Our national income rose to new heights. Individual incomes and purchasing power were more evenly distributed than ever before through price controls.

Family allowances recently instituted gave additional security in many homes and incidentally a feeling of independence to a great many housewives for the first time, so that they now do not have to go through their husbands' pockets for spending money. The purchasing power of the dollar, however, has diminished rapidly of late, and the family on a wage or a salary, on social aid or pension, finds itself unable to buy many of the necessities of the home, because of these tremendous price increases. With most price controls lifted now, the sky seems to be the limit, and many manufacturers are setting their prices upward every day. But every time wages come up five percent it seems that prices jump about ten percent in comparison, and the wage earner is thereby worse off than before. Those on social aid or on pension are very much against it indeed. Provincial Governments are fast finding themselves in somewhat the same position. Having signed a Dominion-Provincial agreement, their income is thereby limited to that extent, and though we would like very much to be able to help those who are getting Social Aid in some form or another, yet provincial finances are definitely limited and our aid provincially has been limited to that extent. Moreover, change in the Old Age Pension Act, not so long ago, has brought in a great number of new Pensioners on our list. Personally, I am very happy to see the additional number of Pensioners who now qualify due to recent changes in the Act. But it, of course, means additional expenditures by this province, and because the Federal Government has failed to implement its proposal of taking all persons 70 or over on 100 per cent pension basis and those 65 to 70 on a fifty-fifty basis with the provinces, this government is forced to give social aid to those below the present

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pension age limit on a social aid basis or rather, as it was known, on a relief basis. This is given to thousands of folks in this latter age group. If the Dominion proposals were consummated and we were able to give old age pensions on that basis as mentioned — that is, the Dominion paying half and the Province paying half — It would take off our social aid list a great many people who were today being looked after by the province on a 100 per cent basis.

When we turned over the Income Tax and other tax fields to the Federal Government under recent agreements we, to a large extent, cut off definite increases in our Provincial income while our responsibilities in social aid, education and other fields has increased numerically and financially. Our income lags far behind the need in the provincial fields, thus making it imperative that Federal aid be obtained. In the matter of Health Insurance, because Ottawa has not come through with its promise of 60 per cent of the total cost of Health Services, it has so far been the responsibility of the Provincial Government to find ways and means to finance the first step in Health Insurance by a prepaid hospital insurance of \$5 per head. This will take approximately \$2,000,000 out of the Provincial Treasury over and above what has been collected in hospitalization insurance of \$5 per head, a maximum of \$30 per family payable in advance.

This Provincial Government has gone on, as the hon. member for Maple Creek has already indicated, with certain steps which should be rightfully shared by the Dominion Government. Let as me enumerate a few of these which we have spent a good deal of money on in the last three or three and a half years. Our grants to health regions to enable them to carry on has taken about \$93,000 from the treasury of the province. Hospital construction assistance has cost around \$650,000; medical care grants to help municipalities to pay for municipal doctors has taken around \$147,000. Complete free Medical Services have been instituted to help some 27,000 Saskatchewan residents, residents who are classified as Old Age Pensioners, Blind Pensioners, those in receipt of Mothers' Allowances and their dependents. Wards of these receiving Social Aid from the Department of Social Welfare have all been given free medical care, and this has run into thousands of dollars in cost to the Provincial Treasury. We do not regret spending one cent of this for those who need it most, but we do say that, provincially, we cannot indefinitely carry this on without the Federal aid that should rightly be our because we have signed this agreement, and Ottawa had promised to come to aid of these provinces with its tremendous power of finance that it has in the many fields of taxation today.

Our free Cancer treatment, costing, as I added up the figures from the time that cancer treatment or cancer care of some kind or other have been instituted away back in 1931 or 1932, amounted to something like \$353,000 for all those years up to the time this government took office and instituted complete care of cancer treatment and diagnosis. Since that time, in that short space of three years or so, it has cost this province something close to \$1,000,000, in the three short years as compared with the \$353,000 spent by former governments in 12 years since the inauguration of that scheme. We also have had the Air Ambulance Service which has carried more than 800 patients, from different parts of the province to help and care in our hospitals, and, as has been stated before, no one knows how many lives have been saved by that; but this too, has cost the province considerable money. The \$25 fee that is asked of those people who got the planes to take them is a very small amount indeed, and told by some of the pilots, it barely covers the cost of taking the plane out of the hangar. New equipment and personnel have been added in order to cope with the incremental demand for this service.

The Mental Health program is now entirely free to patients suffering from mental diseases and it has cost the government hundreds of thousands of dollars more than in the last few years. V.D. control has been a desirable item, all very necessary in a province like ours or in any province, and this is definitely a social responsibility which should be carried on throughout the length and breadth of Canada instead of on a provincial basis. Unless we go out on an all-out program to eradicate this disease and to hold back the terrible consequences of it, people travelling back and forth, one province to another, are bound to cause recurrence of this disease in large numbers and it must be carried out on a Dominion-wide basis. Seeing that, this government has started out and done a great deal in this matter, and I am very happy to notice in the papers, not so long ago, that the incidence of this disease had decreased about 50 per cent, but as I mentioned before we need additional funds to carry on all the improvements in social care.

The estimated seven and a quarter million to be spent on Public Health, this year, as compared with a little better than one and three quarter million spent in the last year of Liberal administration, is a great step in the achievement of our slogan 'Humanity First,' so is the increase from \$4,610,000 in 1944 to an estimated \$7,990,000 for the coming year, in the Social Welfare Department. But we on this side of the House are the first to admit that though the Mothers' Allowance and Old Age Pensions have been doubled or better than doubled from the 1943-44 levels,

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the present-day dollar buys less in many cases than the 50 cents bought in those years. This government is doing everything, possible to improve the lot of the people, but there is a limit to provincial finances and in the face of continually soaring prices and the greedy rush of profiteering when price ceilings have been lifted, — it is the result of what has been happening lately — the cost of living has risen in the last three years over 30 points. Increased prices by firms gone profit mad, and the removal of price controls at Ottawa, make it a pretty grim picture indeed for the man on a wage or salary, and it is even worse for those on Social Aid or Old Age pension and Blind Pension.

There is yet another way in which this government has increased its responsibilities. In the province of Alberta and Manitoba, Social Aid is almost completely a municipal responsibility. In Saskatchewan, however, about half of our people receiving Social Aid are receiving the same totally from the Provincial Government. The other half are receiving Municipal aid, but hereto the municipalities get a refund from the Provincial Government of 50 percent of whatever they spend. In other words, 75 percent of the total Social Aid spent in this province is paid by the Provincial Government. I am told — in fact it was on a recent visit to the city of Winnipeg — that in that city they spent something like \$700,000 for Social Aid alone without a single cent coming from the Provincial government, whereas in this province of ours that is a provincial responsibility, 75 percent.

In the Old Age Pensions and Blind Pensions branch, Saskatchewan paid its full share of the pension and nothing is charged to the municipalities, but in Alberta 10 percent is charged back to the municipality. In other words the province of Alberta, with all its boasting is paying only 15 percent of the Old Age Pension and is shoving the other 10 percent on the municipalities concerned. In Manitoba, twelve and a half percent is charged back to the municipalities; in other words the provincial share of 25 percent of Old Age Pensions paid out in Manitoba is cut in half of ours. That is the province paid one half of the province's share and the municipalities shoulder the other half and the cost of administration is also shared on a fifty-fifty basis with the municipalities in Manitoba.

This all adds to added expenditures with limited Provincial incomes. If we are to meet the needs of these people, there must be additional grants coming from Ottawa. Recent years have placed Ottawa in a very favourable financial position. Here are a few statistics to prove they have the money the people need to maintain themselves in decency, from the 'Financial Post'. Corporation Service in little cards that they send out every month. One of these, dated



December 17, 1947, carries an article regarding the Massey-Harris Company. In 1945, they had a net profit of \$1,588,000; in 1946, they had a net profit of \$2,125,000. October 10, 1947, the same service provided us with this information: The B.C. Packers net earnings, 1944, \$858,000; 1945, \$1,036,000; 1946, \$1,976,000; 1947, \$2,013,000. On December 16, 1947, a report on Burns and Company Limited — 1943, \$1,690,000; 1944, \$2,064,000; 1945, \$1,510,000. November 20 issue of this News Letter Re. Canada Packers — in 1945, \$1,274,000, 1946, \$1,816,000; 1947, \$2,059,000, and here is something interesting regarding the two poor railway companies who are asking for a 30 per cent increase in freights recently, how poorly they have fared in the last several years. Regarding the C.N.R. report, from October 17, 1946, the Consolidated Income statement 1941: \$54,000,000; 1945, \$71,000,000, and a report on the C.P.R. dated December 12, 1947, net earnings for ten months ending October 31, 1947, \$15,813,000 over net earnings of \$13,976,000 or an increase of 13.15 per cent over the corresponding period.

Here is another one, International Nickel, the Montreal Gazette 1945, \$25,000,000; 1946, \$29,000,000. Distillers — Seagram's, 1946, \$13,000,000 net for six months; 1947 for the same period of six months, \$31,000,000. The Financial Post page five January 3, 1948, has a summary of some 689 companies whose net incomes available for dividends amounted to, 1944, \$240,000,000; 1945, \$244,000,000; 1946, \$329,000,000. The 'Leader-Post' Editorial of recent date: the sales taxes for 1942 are given as \$250,478,000, that is Federal revenues where they have been acquiring this terrific amount of money. In 1943-44, \$339,000,000; 1944-45, \$404,000,000; 1945-46, \$46,000,000; 1946-47, \$298,000,000 and 1947-48, \$325,000,000. From revenue of Income Tax which we have vacated to the Federal Government and which we cannot dip into at all now: 1944-45, \$767,755,000; 1945-46, \$691,586,000; 1946-47, \$695,000,000. In the field of Excess Profit Taxes: for 1944-45, \$465,000,000; 1945-46, \$494,000,000; 1946-47, \$449,000,000; 1947-48, an estimated \$170,000,000 because of the removal of the Excess Profits Tax to help those who are in the higher income tax brackets.

That still goes to show the tremendous amount of cash that the Federal Government has. It is estimated that somewhere around this time now there is close to a billion dollars in surplus that the Dominion Government has from the incomes that they taxed in years gone by.

It is Ottawa that has permitted prices to 'sky-rocket' to the extent that these prices have sky-rocketed the purchasing power of the dollar today, in the hands of those on Social Aid or Old Age Pension has definitely gone down in reverse. This removal of

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controls as well as other factors has contributed to the increased profits made by the vast corporations in Canada in later years.

The figures I have just quoted indicate that while our source of taxation has been given up, our share of Canada's income is not forthcoming from Ottawa. So far it has amounted to a mere four and a half million over and above the Federal Grants which were given before the Dominion-Provincial Agreement was signed.

If we continue to increase Social Aid and other services without the advantage of Federal Aid to help us along, it will mean that we are going to be forced to subsidize the profit-making of all those huge corporations in Canada, because the consumer's dollar naturally goes to help all those who make profits without the benefit of being able to get back any of these incomes through the taxation we formerly had access to. Either the Social services will have to be curtailed and those that we would like to help most of all will suffer, or taxation in fields still open to the Province will have to be found. This, of course, will not be a popular or easy thing to do.

Therefore, with that concern in mind, Mr. Speaker, it is for the welfare of our Province, and of other provinces also, that this House should unanimously vote for this resolution urging Ottawa to come through with the much-needed and long-awaited, aid.

We are not asking for charity. We are asking only for that share of the Dominion's income which rightfully should belong to our province. They took something around 130 million dollars out of this province in different forms of taxation. I understand there is something like \$40,000,000 of this that should still be our share out of the common pot at Ottawa.

Mr. Speaker, I therefore take great pleasure in seconding this Motion.

**Mr. A.T. Stone (Saskatoon):** — Mr. Speaker, I can think of many reasons why the Dominion Government should go through with the other proposals of the Dominion Provincial Conference. Many of those reasons have been covered by the previous two speakers, and I would like to deal with two of the other reasons. It would seem to me that sooner or later the man or woman on the street who do any thinking or reasoning at all will ask

their representatives at Ottawa why a Sirois-Rowell Commission was set up, a commission that did such good job and brought forth such good recommendations, which would have brought about a better national unity than we have at present, why this Commission was set up and its report pigeon-holed? The man and the woman on the street might go farther and ask their representative at Ottawa why the Dominion Government set up these proposals at the Dominion Provincial Conference and then dropped them like a hot potato? They might even ask more impertinent questions, they might ask if there is not someone in Ottawa behind the screen, pulling strings and telling our Government not to go quite so fast: it is all right to think progressively, but do not let your actions get the better of you.

We hear so much today about the U.S. dollar shortage, and I was rather impressed in listening to a press correspondent from Ottawa on Sunday. He was referring to the three-way trade agreement between Canada, United States and Great Britain, and he said Canada was like a man with one foot on a boat and the other foot on the dock, and he was alright as long as the distance between the boat and the dock was the same; but when the boat started to move away from the dock, he had to decide which way he was going to jump and he jumped toward the dock. I think the people will want to know just what effect International Finance has on the economy of this country, and just how much International Finance throttles the Government in Ottawa. We hear so much about the U.S. dollar shortage, and yet we are told that there is a tremendous amount of oil being brought across the Line. Also coal, steel and other resources being brought into Canada that it does seem to me that our policy in regard to our own Natural resources has been left to private enterprise, and private enterprise has been taking its own sweet time developing those resources in Canada. It was only during the last Great War that they made any great progress because they needed those resources. It seems to me that all the time they have millions of dollars invested in fields already producing, we are not going to have very much play from private enterprise as far as our own natural resources are concerned.

Again I will say that the man and the woman on the street are wondering why these legal technicalities prevent us from doing the things we ought to be doing. Why can we not do this; because our Constitution says it is not right to do, and why can we not do the other; because the B.N.A. Act says 'no', when common sense says we ought to be doing these things. It seems unreasonable and rather foolish that the Dominion Government, who cannot go into these fields, and our natural resources, and the provinces who are unable on account of finances, that these two groups of Government cannot get

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together and lay down some kind of policy where we can get going and do more than we have done towards our natural resources.

The other point that I want to touch on, I think the House will all remember, last fall, we had a packinghouse strike of national importance. I need hardly tell the House who suffered the greatest during that strike and where I . . .

**Mr. Speaker:** — I would like to draw the attention of the hon. member to the Motion that is under discussion.

**Mr. Stone:** — I am trying, Mr. Speaker, to bring in the National Labour Code which was one of the points, I believe, of the Dominion-Provincial Agreement, and I was going to point out it was the desire of the men at that time for the Dominion Labour Minister to do something about it. It was out of his jurisdiction apparently, and the provinces realized that this strike was of national basis, and they felt they could not do a great deal about it.

The packinghouse operators were satisfied to do nothing and let the strike continue, and it seems tragic to me that all these Governments could do nothing.

**Mr. Danielson:** — Including your own.

**Mr. Stone:** — I say that possibly had there been some form, even the minimum standards of the National Labour Code, this strike my have been prevented, at least it would not have continued to the length it did. I predict that 1948 will go down as the worst year in Canadian history for labour disputes, I can see no other way out of it. I feel that the workers must go after this third round on wage increases — wage increases which will exceed any other round of wage increases we have had previously. If the workers are to buy back more of the goods which they produce and keep the economy going, they must go after these wage increases. At the present time our labour organizations have a demand for very substantial increases. Now the Railroad Unions have been looked upon as a more or less docile organization; they are a reasonable bunch of fellows; they have gone along with the Dominion Government in the past and accepted the cost of living bonus and the ten cents across the board as suggested by Mr. Donald Gordon. Even our own workers were content to more or less play along with the Liberal Government in Ottawa so long as they kept the ceilings on the living costs. The railroad workers, today, are beginning to show their claws, they are quite an angry group and they do not see why, nor feel why, there should be so much difference between the railroad workers. In the United States, men who are doing exactly the same

work as the worker in Canada, there is a difference of 44 cents an hour. Why should there be that much difference where the economies are almost identical today? It is obvious to believe that the railroad operators will not grant this request. If we should happen to have a railroad tie-up, I just wonder what the Hon. Humphrey Mitchell will do in a case of this kind, whether he will try and waive jurisdiction back to the provinces.

This is not going to be the only wage demand. I can see plenty of others on a national basis. Therefore, I think it is very obvious that we should have a National Labour Code laid down on the bare minimum requirements.

Most of the other points I intended to speak about are pretty well covered. It is true that we embarked on a Hospitalization Scheme in this province, and it is also true that the people of this province are bearing the full cost of that Hospitalization Plan. On top of that, as has already been stated by the member from Pelly, we are contributing in the neighbourhood of \$130,000,000 in the way of taxation and getting nothing back to relieve us of that cost of hospitalization.

Now, Mr. Speaker, with those few words, I would say that this House would be very remiss in its duty if it did not press strongly for the continuation of these conferences with a view of turning over the other half of this Dominion-Provincial proposal.

**Premier Douglas:** — Mr. Speaker, I have no wish to detain the House on a subject that has been discussed a number of times, but I would like to make just a few observations and to make clear the Government's position with regard to this Motion which has been introduced by the member from Maple Creek.

The resolution introduced by the hon. member, and the questions raised by it, are not political in character, but are constitutional and economic, and, therefore, it seem to me that people of all parties throughout this province and other provinces, who are interested in the welfare of Canada, and in seeing this country progress, can support the opinions expressed in this Resolution. The problem of Dominion-Provincial relations are tied up in two questions. The first is the question of the respective responsibilities which had been placed upon various governments. We are familiar in this country with the responsibilities which the constitution places on the Federal Government and the responsibilities which are placed upon the Provincial, Government, and in turn the responsibilities which the Provincial Government has delegated to the municipalities.

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Those responsibilities were set out in the Constitution of Canada and the British North America Act in 1867. A lot of water has gone under the bridge since that time. Our concept of responsibility and our concept of what is entailed in Social Services has undergone a radical modification in the past 80 years. When the Father of Confederation gave to the Provinces the responsibility for looking after Social Welfare, it was not a very heavy responsibility. In 1867, no one had ever heard of such a thing as Old Age Pensions or Mothers' Allowances or Widows' Pensions or Unemployment Insurance. It was not until 1891 that Bismarck began to introduce some of those measures into Germany and, in 1914, Lloyd George began to introduce them in Great Britain. So in 1867, to give to the provinces the responsibility for all matters pertaining to Social Welfare was not a very heavy responsibility in the light of what they considered to be Social Welfare responsibilities, and so it was given by the Fathers of Confederation to the Provinces with the slight oversight of failing to give them any very material financial resources whereby they might discharge that responsibility.

In the 80 years that have elapsed since Canada became a Nation, we have seen tremendous change. Society has become increasingly cognizant of its responsibility to those who are not able to care for themselves. Orphanages, Old Folks Homes, Old Age Pensions, Pensions for Widows and Orphans, care for those who are indigents, physically incapacitated — all of these things have grown up in the last quarter of a century. Unemployment Insurance, P.F.A.A. (which is a modified form of crop insurance) has become an integral part of our community life. In other words, increasingly, the community has come to recognize its responsibility for the individual. Consequently the whole burden of Social Welfare which was a very meagre burden 80 years ago, is today a tremendous burden. If anyone will take the trouble to go into the Provincial budgets of the various provinces of Canada, one would be shocked to see how in the last 25 or 30 years the amount of money spent for social welfare, health and education has grown by leaps and bounds because the conscience of humanity has been quickened. We have become more cognizant of our responsibility for the individuals, and the pressure of public opinion has compelled provincial and municipal governments to spend greater sums of money for these purposes; but they have been limited drastically by the financial resources that are at their disposal.

I am not stating anything new. I am sorely reminding hon. members why there have been repeated investigations into this whole question of Dominion-Provincial relations, and why, in 1938, the Rowell-Sirois Commission was appointed by the Federal Government,

headed by the Rt. Hon. W.L. Mackenzie King, which brought down its report in 1940, a report to which the political party with which I am associated gave its unqualified approval and support. In 1941, a Dominion-Provincial Conference was called, and the hon. Leader of the Opposition represented this province at that Conference; and it should be said he was one of the Premiers at that Conference, who supported the proposals which were advanced by the Federal Government, based on the recommendation of the Rowell-Sirois Report; but the Conference broke down — the reasons into which one need not go now — broke down because the provinces of Ontario, British Columbia and Alberta refused to be a party to any agreement at that time. They not only refused to enter into an agreement, but refused to even study the agreement and walked out of the Conference.

Therefore, during the war — from 1941 until the Conference in 1945 — the Dominion-Provincial problem was met by a stop-gap Interim Tax Agreement; a wartime tax agreement, by which the provinces surrendered Income and Corporation Tax in lieu of a cash subsidy, which was worked out on two alternative basis.

But, in 1945, following a General election — at which time the present government in Ottawa was elected on a basis of a platform advocating National Health Insurance, Social Security proposals, increasing the Old Age Pension and lowering the age at which pensions would be paid; the whole Social Security program — having come into offices they proceeded to call a Conference in August, 1945, and at that Conference, laid before all the provinces the proposals which had been outlined so carefully and so ably by the member for Maple Creek.

Again, the story is well known; the provinces had a number of meetings with the Dominion, and finally, in April 1946, it became apparent that no general agreement could be reached, largely because the provinces of Ontario and Quebec refused to enter into an agreement, and the Federal Government felt that they could only carry out their proposals if all the provinces of Canada were prepared to accept their proposals in toto.

When the Conference broke up in April 1946, the delegation from Saskatchewan — in common with a delegation from at least one other province — pleaded with the Federal Government that if we could not get an agreement throughout all the provinces of Canada, that the Federal Government should at least sign an agreement with those provinces who are willing to sign an agreement with them. So, in June 1946, Rt. Hon. J.L. Ilsley announced his budget. The Federal Government was prepared to offer as a tax agreement, the same cash subsidy which had previously been offered as only a part of the general proposals. In other words, whereas before the provinces had been offered a cash

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subsidy, they had been offered, in addition, 60 per cent of the cost of a Health Insurance scheme; relieved of all responsibility for Old Age Pensioners over 70; and 50 per cent of the cost of caring for those between 65 and 70; all able-bodied unemployed to be taken off their hands and accepted as a Federal responsibility; the Federal Government to give certain health grants for tuberculosis, for crippled children, for venereal disease and health planning; the Federal Government to give assistance in building tourist roads and Trans-Canada highway, and roads into mining areas; what we considered most important of all in terms of economic stability — a public investment program whereby the Federal Government would enter into an agreement immediately with provinces, and municipalities working through the provinces, to prepare a backlog of Public Works projects of schools, hospitals, roads, bridges, reforestation, water conservation and irrigation; that these projects should be carefully planned and put aside, and at the moment that unemployment began to manifest itself, these projects would be taken off the shelf and, on a basis to be agreed upon by the Federal, Provincial and Municipal governments, these Public Works projects would be undertaken with a view to absorbing the unemployed and putting purchasing power into circulation.

So, this Government was naturally concerned and disappointed when it was announced in June, 1946, that the Federal Government was offering only the cash subsidy to those provinces who would enter into an agreement, but was not offering any of the Social Security or Public Investment proposals. That is, we were to give up just as much as we had been asked to give up before; but we were to get only a small part of what we had been offered in return. I think our estimate was, roughly, that on the basis of the annual expected expenditure under the agreement, we would get in this province somewhere — in terms of services and cash subsidies together — about 53 to 55 million dollars a year. The Tax Agreement, which we signed, brings in only some 15 million dollars a year, part of which we turn back to the Federal Government, to settle old seed grain and relief debts, and the other 38 or 40 million, which was to be given in the form of services and contributions to Health Insurance — these of course, have not been forthcoming.

At that time — on the 12th of July, 1946 — I wired the Prime Minister, pointing out our concern and expressing our disappointment, nevertheless saying that we were glad that the Federal Government had at least agreed to enter into Tax Agreements with those provinces who were willing to enter into Tax Agreements with them.

I have here the Prime Minister's reply dated July 15, 1946, in which he says:



"YOUR TELEGRAM OF JULY TWELVE REGARDING DOMINION PROVINCIAL RELATIONS RECEIVED. DOMINION GOVERNMENT SHARES YOUR REGRET THAT IT HAS NOT BEEN POSSIBLE TO INCLUDE IN THE DOMINION OFFER MADE IN THE BUDGET THE EARLIER PROPOSALS RELATING TO PUBLIC INVESTMENT AND SOCIAL SECURITY. HOWEVER AS EMPHASIZED IN THE BUDGET ADDRESS THE PUBLIC INVESTMENT AND SOCIAL SECURITY PROPOSALS SUBMITTED LAST AUGUST REMAIN AN ESSENTIAL PART OF THE DOMINION GOVERNMENT'S PROGRAM. AS SOON AS THERE IS A SUFFICIENT ACCEPTANCE OF THE PROPOSED TAX AGREEMENTS WE SHALL BE READY TO EXPLORE IN A GENERAL CONFERENCE OR OTHERWISE THE POSSIBILITY OF WORKING OUT MUTUALLY SATISFACTORY ARRANGEMENTS IN REGARD TO THE WHOLE OR ANY PART OF OUR EARLIER PUBLIC INVESTMENT AND SOCIAL SECURITY PROPOSALS."

Now, that is an important statement, Mr. Speaker, because it expresses two things with regard to the Federal Government's attitude; first, we entered into a tax agreement with the Federal Government which considers the social security proposals and the public investment proposals as still being an integral part of their program; and secondly, that they were prepared, when sufficient acceptance had been received of their tax offer, to call a conference, or as he said, "otherwise enter into" discussions with reference to the implementation of the social security and public investment proposals.

Of course, we have never been able to get a definition of what was meant by "sufficient acceptance", and it would now appear that the Federal Government has taken the position that "sufficient acceptance" means all of the provinces of Canada. Of course, that was not said in the wire. It did not say when "all" of the provinces of Canada, but when "sufficient acceptance" had been indicated — and whether that meant six provinces or five provinces, or eight provinces, or whether it means all nine provinces, we have never been able to have a clarification of that point. Well, the result was, as the hon. members know, that in the fall of 1946 we worked out the details of the agreement, and that agreement was submitted to this Legislature last year, approved, and that tax agreement is now in effect; but no conference has yet been called, nor has any other method been used, as far as the Saskatchewan Government knows, to explore the possibility of implementing any of the social security measures. The result is that all, or most of the ills, which led to the calling of the Dominion-Provincial Conference, are still with us. True, we have a little more money from the Tax Agreement, although when one considers that we pay some of it back to settle old seed grain and relief debts, and when one considers that the purchasing power of the dollar has dropped at least thirty percent, it is doubtful if we have very much more than we had before.

The real reason why this Conference was called, and why the Rowell-Sirois Commission was set up, — the problem of the inability of provincial and municipal governments on the basis of their present limited sources of revenue to discharge the heavy social responsibilities which are constitutionally theirs — that problem is still here; and if one goes over the budget of our own Government, or more particularly, of some other government, one will see that most of them have come to the place where they cannot any longer meet

adequately, the social welfare and educational and health demands of their people. I noticed, the other day, that the newly-appointed Premier of British Columbia made the statement, speaking in a by-election, that his government had spent, last year, \$23,000,000 for social security! An astounding figure! \$23,000,000! He said, "We have now reached the limit, and there is much more to be done; and if it is going to be done, it can only be done when the Federal government begins to recognize that it has a responsibility — a responsibility which it acknowledged when it called the Conference and made the proposals it did in August, 1945."

In our own case, for instance, on the strength of the Federal Government's proposals in 1945, we proceeded to plan a general health insurance scheme, and last year — or rather, year before last — in 1946, this House authorized our proceeding with the first step in that health insurance program by beginning a hospitalization plan. Had the Federal Government's social security measures come into effect, two-thirds — or rather, three-fifths, sixty percent — of the cost of that health insurance scheme, would have been borne by federal contribution. We would only have had to collect the other two-fifths from provincial revenue, either by means of a per capita tax, or partly from a per capita tax and partly from general revenue.

But what has been the experience? The experience has been that we have had to raise all of the money for that hospitalization scheme from the people of Saskatchewan. Now, because of the tremendous increase in hospital costs, and I will, probably, when the budget is up, give to the hon. members a comparative statement of hospital costs in various parts of Canada — our hospital costs have not gone up nearly as much as they have in other provinces; but they have gone up — today the \$5.00 which the average person pays just covers about half, or a little better than half, the cost of providing hospitalization; and the other half must come out of the consolidated revenue fund.

Now, it seems to me that that points very directly to the fact that if we are going to continue a hospitalization plan, and I do not think anyone in the province would agree to discontinue it, and if we are going to go on into medical care, and surgical care, and optometrical care and dental care, and drugs, and have a full health insurance plan, then we must have the co-operation of the Federal Government and we must have the implementation of the proposals which they made in 1945. This is not a problem which, as I have said, is confined to Saskatchewan. We have had — and I am not telling any secrets out of school when I say this — in this province, over the last few months, the representatives of two or three governments here, studying in detail our hospitalization plan; and I make bold to say that if the Federal Government were prepared now to announce its willingness to implement, for instance, its health insurance proposal, there are at least two, and possibly three other provinces in Canada besides our own, who would be setting up a hospitalization plan modelled on our own, before the end of the calendar year; but they hesitate, and only because of the tremendous financial burden which is involved. They recognize, as we recognized two years ago, that it is a necessary step — that from the standpoint of better care, from the standpoint of relieving the financial burdens — there is not anything to equal prepaid hospital and medical care, and these provinces would like to have it, but they are deterred from having it simply because they do not feel they can carry the entire financial burden by themselves.

So, Mr. Speaker, it seems to me that, apart from political parties, and apart from economic ideologies altogether, there are two things to which I think every Saskatchewan citizen will agree. The first is that under our constitution the responsibilities which are now laid upon provincial governments and municipalities are too heavy in relation to the sources of revenue which they have; that either the Federal Government must come in and make some contribution towards discharging those responsibilities, or it must divert to the provinces some fields of revenue which they are not at liberty to use at the present time, such as an indirect tax. I think the second thing, most of us will agree, is that the time has come when no two provinces should be allowed to stand in the way of the Federal Government and the other seven provinces entering into an agreement which will be for the mutual benefit of all contracting parties; and if the provinces of Ontario and Quebec do not want to enter into a tax agreement, or if they feel that they are so wealthy that they can supply health insurance and old age pensions, and social security measures, and take care of public investments, without federal assistance — if they want to hold on to their fields of revenue — then it is not for me to criticize them; but I do say that for those seven provinces who have given up these fields of revenue, have given up corporation tax, income tax and inheritance tax, and who must still carry the great burden I have enumerated, surely we are perfectly within our rights in saying to the Federal Government — "The time has come for you now to call the Conference proposed in this Resolution, in order to enter into some type of an agreement."

I am not going to be critical of the Federal Government. I could understand that when the Dominion-Provincial tax agreements were signed, they could not immediately call a Dominion-Provincial conference on social security measures. Had they done that, one of two things could have happened — they could have been interpreted, in central Canada, as trying to 'put a gun' to the heads of Ontario and Quebec; or, had the Conference been an all-inclusive one, there might have been a feeling that the provinces of Ontario and Quebec were going to get the social security measures without giving up the fields of taxation which they were asked to give up. I can quite understand the Federal Government, when the tax agreements were signed, desiring to wait awhile, to see if Ontario and Quebec would not come in; but I do submit now, Mr. Speaker, now that nearly two years have elapsed, we cannot be asked to wait any longer — the provinces of Ontario and Quebec are very apparently not going to sign a tax agreement, and they should not be allowed to stand in the way of progress any longer — and the Federal Government now has a distinct responsibility to call, as quickly as possible, a conference, if not of all the provinces, at least of the provinces that have signed the tax agreement, with a view to implementing their proposals, and with a view to giving to the people of Canada that measure of social security which the Federal Government itself promised to give when it ran in the election of 1945.

I shall support the Motion.

## HUDSON BAY ROUTE

### Motion urging Increased Use of Port Churchill.

**Mr. Howell (Meadow Lake):** — Motion No. 5, as it appears on the Order Paper, is one which has been debated in this House, I believe, Session after Session, although it has not always been worded in the same manner. At the risk of possibly boring the House, I would like to begin my remarks by giving a brief history of the Hudson Bay route, to show the measure of progress which we, the people of Western Canada, have achieved up until the present time.

The Hudson Bay route became a reality back about the year 1670, and was used exclusively by the Hudson Bay Company which, I believe, every schoolboy knows, and for one hundred years that commerce went on by the Hudson Bay Company, and by Hudson Bay Company alone; but about 1780 there grew up a little bit of opposition to the Hudson Bay Company in Western Canada and by 1790 there had appeared, out of Montreal, a company known as the Northwest Company, which was dealing in Western Canada in competition with the Hudson Bay Company. The Northwest Company soon saw the value of the Hudson Bay route. It was a long and dangerous trip for the Northwest Company to ship its furs from places like Fort Chippewyan on Lake Athabasca, by canoe and barge, all the way down to Montreal, and from there across to London and European markets. As a result, the Northwest Company had to borrow money for one year longer than the Hudson Bay Company had to do, in order to carry on the same business. The Northwest Company, therefore, were very anxious to get in on the Hudson Bay route. The reason I mention this is that it seems to me rather ironic that the first demand, in Canada, for the use of the Hudson Bay route, came from Montreal, by the early commercial interests there. The Hudson Bay Company said they could not let anybody else use the Hudson Bay route because if they did, their monopoly would cease to exist, they would lose their charter, and so on. The Northwest Company did not give up the fight, but tried, temporarily, to find a new route that would and could compete successfully with the Hudson Bay route, and as a result they sent Alexander McKenzie first to the Arctic and later to the Pacific to see if they could not find alternate routes there, and which they could transport their furs and other merchandise. Those two ventures were failures, insofar as finding an alternate route to the Hudson Bay one, and as a result the Northwest Company had to concentrate its efforts on trying to get into Hudson Bay in some way or another.

For the next thirty years, those two companies led a cat-and-dog fight, so far as economics were concerned. At the end of that time the two companies amalgamated and so far as any public interest was concerned, the Hudson Bay route was no longer a question of public concern because everyone was using it who wanted to use it. The Hudson Bay issue again sprang up from a new source and for a new purpose, in the latter part of the last century, possibly about 1890, when it was wanted by the people in western Canada as an outlet for western products, chiefly wheat, and an inlet for European merchandise. For the next thirty or forty years, until the latter part of the twenties, that was the big issue — the building of the Hudson Bay Route. I believe the farmers of western Canada heaved a sigh of relief, in the latter part of the twenties, when the Hudson Bay Railroad was finally completed

and the harbour was built at Churchill.

That was twenty years ago; and the situation today is that after these twenty years, we find that our struggle is to get full use of that Hudson Bay port and facilities. Last year I understand that 5,000,000 bushels of wheat were shipped through the port of Churchill. That was twice as much as ever shipped through there in any previous year; but I understand it required an estimated fifteen or sixteen million bushels of wheat to make the harbour facilities and the railroad there at least to give it a fifty-fifty chance of breaking even. As the situation now stands, the treasury of Canada has to subsidize the Hudson Bay Route to the tune of about a half-million dollars annually, which it would not need to do if the Hudson Bay Route were fully utilised.

I am also informed that the Hudson Bay facilities could handle about 25,000,000 bushels of wheat in any one year, and if that amount of wheat were put through the Route in one year, it would result in a net saving to Great Britain of probably \$1,000,000. I believe that most people of Canada would like to make a good donation to the peoples of Europe, and here is an opportunity for the people of Canada to make a very fine donation to Great Britain without it costing us a cent. By using the Hudson Bay Railroad and port facilities, to their full capacity — to the amount of 25,000,000 a year, we would save the people of Great Britain \$1,000,000, and would save the people of Canada \$500,000 in subsidies to that Route.

Therefore, Mr. Speaker, the Resolution as it is worded on the Order Paper, asks that the Federal Government work through three of its Crown Corporations or Boards — The Canadian Wheat Board, The National Harbour Board, and the Hudson Bay Railway —to utilize that port and railroad to full capacity during the coming crop year. The Hudson Bay Railroad is owned by the people of Canada, through the Dominion Government, and is operated as a public utility. It has some of its own rolling stock, maintains its own railroad, and so on, but in periods of heavy movement of merchandise, like wheat, it does require from the Canadian National Railways, a certain amount of rolling stock which it rents on a daily basis. I believe it costs them \$30.00 a day for a locomotive, and \$1.50 or something like that for a freight car. Therefore, this Resolution asks that the Hudson Bay Railway prepare for an enlarged shipment or handling of wheat over that route.

The National Harbour Board is a Crown Corporation of the Federal Government, which owns harbour facilities and looks after the harbours in various parts of Canada. Not all the facilities are owned by it, but it does look after dredging operations and makes regulations with respect to shipping in and out of all of the ports of Canada. In the case of two ports, it owns all the facilities which are there, and in the case of Churchill it owns the grain elevators as well; therefore, we are asking that the Federal Government, through the National Harbour Board, prepare for this increased shipment through that port.

The third Federal Board to whom this Resolution is directed is the Canadian Wheat Board. This Board has not been very clear on its policy with respect to the shipment of wheat to Great Britain. It has generally taken the stand that, well — 'Let the people of Britain come and get the wheat where they want it' — and let it go at that; but we know, Mr. Speaker, that the shipping

interests in Great Britain are quite willing — in fact, eager — to send their boats in to Churchill and take out the wheat through that Port, because it would save the people of Great Britain approximately \$1,000,000 a year if 25,000,000 bushels of wheat were handled through those facilities.

May I say, in summing up, that these three Boards or Crown Corporations — The Canadian Wheat Board, The National Harbour Board, and Hudson Bay Railway — are all creatures and concerns of the Federal Government; therefore, the responsibility rests squarely on the shoulders of the Federal Government whether or not they are going to utilize this Hudson Bay Route to its full extent or not. There is no way, in my opinion, of the Federal Government escaping responsibility for allowing that Route to be only partly used, and I am sure this is not a political issue, so far as the people, at least in Western Canada, are concerned, and I am hoping that when this Resolution is brought before the House it will receive unanimous support.

Therefore, Mr. Speaker, I wish to move the Resolution as it appears on the Order Paper under my name. It is herewith submitted, and seconded by Mr. Brown.

**Mr. Speaker:** — It is moved by Mr. Howell, seconded by Mr. Brown: "That this Assembly request the Federal Government to instruct the Canadian Wheat Board, the National Harbour Board and the Hudson Bay Railway to arrange for an increased level of operations in the export of wheat via Port Churchill in the 1948 shipping season."

**Mr. A.L.S. Brown (Bengough):** — I rise to second the Motion of the hon. member for Meadow Lake, realizing that this is simply one other phase of the struggle of the farmers to obtain a larger share of the consumer's dollar for the products which they place upon the market. As you will note, this Resolution has particular reference to wheat. We word our Resolution in this manner, realizing that wheat is the most important single commodity which we place upon the export markets of the world. We further realize that through the utilization of this railway for the purpose of carrying wheat, it will be utilized to its fullest extent. At the present time, the nation to which we export the largest amount of wheat is the British Isles, and it is through this Port that this trade can be utilized to its fullest extent, i.e., trade with the British Isles; and by exporting wheat through this Port, it will make possible a two-way trade with Great Britain.

It is interesting to note that here we have a physical facility, owned by the people of Canada, and a marketing agency owned by the people of Canada, through the Dominion Government, and yet the one has not seen fit to fully utilize the services of the other, which is owned and controlled by the same people. I do not suggest — although it may be suggested — that there may be some ulterior motives involved, for the reason that the Hudson Bay Railway has not been used to the extent it might have been. On the other hand, even if this Railway is utilized to the extent suggested by the member for Meadow Lake, it cannot have a great deal of bearing on the economic interests of those in Eastern Canada.

25,000,000 bushels of wheat is indeed a small portion of the crop which we produce here and place upon the markets of the world. I do not think we are expecting too much when we ask that the services of this Railway be used to that extent, for it would, unquestionably, not only be a saving to the British Government and to the British people, through reduced fares, but it would also assure us that we were getting our fair share of the dollars which they are paying for our grain.

I might suggest, further, that if the Canadian Wheat Board and the National Harbour Board, and the Hudson Bay Railway, do not feel that they are capable or willing to allow the facilities of this Railway to be used to its utmost extent, it would be only right for them to turn over these facilities, particularly the Hudson Bay Railway, to the provincial governments, or to the people most vitally interested in their use; and I suggest that those people most vitally interested are the people of the prairie provinces, and such could be socially operated through these three provincial governments. While this Resolution has been before the House on two or three different occasions, I feel that we would be remiss in our duties to the people of Saskatchewan, and particularly to the wheat growers of Saskatchewan, if we did not take this opportunity to bring this very important matter before the proper authorities through the medium of this Legislature, and Mr. Speaker, I take great pleasure in seconding the Motion.

Motion carried unanimously.