

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Eleventh Legislature**  
**3rd Day**

**Monday, February 14, 1949**

The Assembly met at 3 o'clock p.m.

**Mr. A.G. Kuziak (Canora):** — I have the honour to move, seconded by the hon. member for Hanley (Mr. Walker):

That an humble address be presented to His Honour the Lieutenant Governor as follows:

To His Honour The Honourable John Michael Uhrich, Lieutenant Governor of the Province of Saskatchewan:

We, His Majesty's dutiful and loyal subjects, the Legislative Assembly of the Province of Saskatchewan, in Session assembled, humbly thank Your Honour for the gracious speech which Your Honour has been pleased to address to us at the opening of the present Session.

Mr. Speaker, at the outset of my remarks I want to express the appreciation of the good people of the Canora constituency, and the appreciation of Canora's previous member, Mr. Myron Feeley, for the honour done them by the hon. Premier in according to me the great privilege of sponsoring this historic motion for the Address in Reply to the speech from the throne.

I am sure, Mr. Speaker, that when the hon. Premier gave me this great privilege, realizing also that I was a new and inexperienced member, he did so to honour, first, the good progressive people of the Canora constituency, the constituency that has become known throughout Canada as the birthplace of the C.C.F., and, second, to honour Mr. Feeley, and rightly so, for his great humanitarian work that he has done in the past throughout all his life in the interest of all progressive movements — the time and ability that he unstintingly gave to all of a people's political movement, the C.C.F. this work Mr. Feeley carried on in spite of his failing health. The people of the Canora constituency, may I say, felt very keenly when they were informed that Mr. Feeley would not stand for nomination again. I as then accorded that privilege. My hope, Mr. Speaker, is that I may, by the grace of God, carry on that noble work that Mr. Feeley has always done in the interests of the common people, not only of the Canora constituency but of the province generally.

I am very pleased with the speech from the throne, pleased with the fact that we are continuing the great accomplishments of the past four years on into another year, to a better and more generous life for our good people of Saskatchewan.

I am glad to see that the high standard set by the C.C.F. is being continued. Four years ago the people of the province elected the first socialistic government in Canada on certain promises. Mr. Speaker, that was the first government ever elected who have taken their promises in earnest, and to have implemented these promises in four years in whole and some in part. I am glad to see the implementation of some of those not completed embodied in the speech from the throne. Four years ago in the campaign elections the candidates supporting capitalism — or the finer term coined by Adolf Hitler, free enterprise — brought on the greatest hardships ever experienced by our people, tried to scare the electors that by voting C.C.F. they were voting for a dictatorship similar to Communism, and that if the C.C.F. were elected there would be no elections. Within four years, Mr. Speaker, there was an election. This was no surprise to the people of this province, but the thing that did surprise the people of Saskatchewan was that the same opposition that made these statements was calling nominating conventions one and one-half years in advance of the four-year term, this proving that the electorate need not pay any attention to their election speeches. These opposition candidates proved to the people, very conclusively, that they did not believe the statements they made themselves.

A more bitter campaign was carried on in the summer of 1948. This campaign, for the first time in the history of our province, brought about the absolute, complete unity of capitalism. The vested interests, including the Chamber of Commerce and the Sifton Press, took an “all-out” active part, but two political parties united in marriage. The extreme right-wing of the Conservative Party, the Social Creditors, collaborated as a wedge to split the forces of progress. This terrific onslaught of capitalistic unity was routed by the progressive people of Saskatchewan, and the C.C.F. people’s party was elected with a greater aggregate vote than that of 1944.

I am proud, Mr. Speaker, of the efforts of the common people of Saskatchewan. I am proud of the contents of the speech from the throne, and the continuation of progressive legislation to ultimately make total use of all the resources of Saskatchewan for the people of Saskatchewan. This total use is what capitalism is afraid of. The reason is plain: the chief beneficiaries of our economic system, who are also our bosses, fear that if all of our resources are put at the service of the people, excessive profits may diminish and even disappear.

This total use of the resources of the country for the people of the country is what capitalism brands as communism. Our capitalistic opposition parties have been continuously frightening people by telling them that under socialism they will lose their freedom and that socialism will lead to communism. Mr. Speaker, the exact reverse is true. Communism breeds and multiplies under decadent, corrupt capitalism. Do you suppose there would have been a revolution in Russia if Czarist, private enterprise rule had given the people only a fair portion of what there was to have? In this first great rise to power of communism, capitalism was responsible for its birth. International communism, Mr. Speaker, grew by leaps and bounds, in the great depression of the 30's, caused completely and totally by capitalism, the decadent old order of free enterprise. Chiang Kai Shek of China, that great liberal, and adored by the capitalistic press of our country including The Leader Post, is today ushering communism into China. If American capitalism had criticized Chiang Kai Shek's government for its corruptness and had demanded a new social order of total use of the resources of China for the people of China, had channelled their millions to make possible a decent living for the Chinese people, communism would never have had a chance. Communism grows wherever capitalism still insists on its status quo — that is, leave the old order as it is. The freedom of luxury and plenty, Mr. Speaker, for the Chinese barons and foreign lords, but misery, filth and a bowl of rice for the millions of Chinese — this is the situation that brought communism into China.

Mr. Speaker, in contrast, let us glance at some of the democratic socialist countries of the world: Sweden, a country that has been the envy of people all over the world; Norway, Denmark, and all the socialist nations of the British Commonwealth — Britain, New Zealand, Australia. The communists do not seem to have any chance in these countries. Mr. Speaker, the surest way of ushering communism into Canada is to re-elect the old capitalistic political parties, and with another depression, which even they do not doubt, they will bring communism in the wake of their chaos.

The proponents of capitalism will point with pride to Canada and the United States — “Look what free enterprise has done. Show us a country that enjoys a higher standard of living than the two greatest capitalistic countries in the world.” This argument, Mr. Speaker, bears about as much weight as an alcoholic who one day drank scotch and water and got drunk; the next day he bought himself a bottle of brandy and drank brandy and water, and got drunk again; the third day he bought a bottle of rum, drank rum and water and got drunk again. He came to the conclusion that it was the water that caused his drunkenness.

North America, Mr. Speaker, enjoys a high standard of living not because of free enterprise, but free enterprise prevailed in North America because of its rich natural resources and its location, where we all enjoy a fair standard of living. In spite of our extreme riches, capitalism produced a period in North America where the people of North America were starving in the midst of huge surpluses. We must also keep in mind that the wars that capitalism created were all fought elsewhere, while we each time came out wealthier as a result of war. The only time the standard of living of our people, even in this country, was really high was in war time when capitalism was really in its glory.

Every country has at one time or another, Mr. Speaker, been dominated by this dread disease called capitalism. One by one they have rid themselves of its curse. As soon as capitalism failed to serve the people they, in self-preservation, had to take matters into their own hands to equitably share the nation's wealth. As long as greed paid dividends, capitalism had some meaning; but scarcity, which is a strict teacher, gave the people a rude awakening. We know that the poorest countries accepted socialism first. Take, for example, England. As long as there were profits to be made and plenty of food to be had by the British people, they were a capitalistic paradise. As soon as war reduced this nation to a lesser means, a Labour government was swept into power and has retained every seat although many by-elections have been held.

Mr. Speaker, there are only two alternatives to our people and the people of the world: (1) Democratic Socialism, the people themselves devising and putting into operation an economic system which will give the people the total use of all resources; (2) Capitalistic Fascism, or Communism. I would like to here quote a paragraph out of John Gunther's article in The Leader Post, "War Unlikely". Now, mind you, he is not a socialist, in fact I am very positive he is a capitalist and a free enterpriser. This is what he has to say about Europe:

The chief hope for Europe outside the immediate artificial respiration provided by the European Recovery Plan, is the growth and consolidation into power of moderate socialistic governments, like that of England, or coalitions between moderate socialists and moderate capitalist groups, as in Belgium and the Netherlands. One thing to be said firmly is something that Americans, from their vantage point, may not like to hear, namely: that old-style capitalism is as dead in Europe as 'Nebuchadnezzar's aunt'.

Now, there is a free enterpriser.

Leaving that off, Mr. Speaker, I would like to refer to a few accomplishments of Canada's first C.C.F. government. I will first take the record of the Department of Public Health, one of the most important departments of the Government. One of the outstanding achievements of this department was the inauguration of complete prepaid hospital services for the people of Saskatchewan, the first of its kind on the North American continent. Mr. Speaker, as a municipal secretary-treasurer, I well remember the time when the sick people of this province had the freedom to lie sick in their own bed because they didn't have the dollar. Many of them suffered at home, and some died as a result of medical attention lacking. I would like to herein give you two examples, from many; one under the former free enterprise government and one under our socialistic service today.

In the 30's a girl got seriously ill, nine miles west of Canora. The parents brought the child into Canora by sleigh in the early winter, towards evening. But, Mr. Speaker, the parents were stopped at the hospital door until they could either pay the account or obtain a guarantee from the municipality. The parents had no money, and at that time of the evening they were not able to obtain the required guarantee. Admittance was refused. The limiting factor under free enterprise was the almighty dollar. The parents with the child were forced to drive back home. The girl's illness became more serious, and the parents in desperation phoned a neighbour who had a car and lived close to the No. 9 highway going into Canora. They begged the farmer to drive them on to Yorkton — mind you, 30 miles further south from Canora — and try the hospital there. The neighbour agreed and they drove into Yorkton, arriving at about 3 o'clock in the morning. The girl was finally admitted. The doctor diagnosed the case as ruptured appendix and advised an immediate operation, informing the parents that there was only one chance out of a hundred that that girl would pull through. The neighbour and parents returned home, but on their return they were informed by telephone that the girl had passed away. A child, Mr. Speaker, was sacrificed on the altar of the golden god of capitalism.

In contrast, may I now list a case under the socialist economic system. Recently an emergency call came from a doctor at Wilkie, late in the afternoon, requesting an ambulance plane to transport an 18-year-old youth to a Saskatoon hospital. Since the lad had been accidentally shot in the head, the bullet was lodged near the brain, time was an important factor. Although, Mr. Speaker, the call came too late in the afternoon for the plane to get through before dark, Mr. Malcolm, the pilot, decided to attempt the flight. He instructed the doctor at Wilkie to make arrangements to light the extremities of the landing field. On arrival, the field was fairly well lit. Just before landing a one-minute parachute flare of one million candle-power was released over the centre of the field. As the

flare floated down the plane made a fast approach and landed safely. Within a half hour, Mr. Speaker, the patient was in a Saskatoon hospital, and an immediate operation saved the life of this youth. This youth's life was not sacrificed on the altar of the dollar god of capitalism, but saved by the courage, efficiency and heroism of the air ambulance crew and the socialist concept of humanity first.

When speaking of freedoms, Mr. Speaker, the freedom of living in the one case was lost under capitalism; in the other similar case the freedom to live was assured and guaranteed by a socialistic system.

This socialist government abolished the private freedom to lie sick at home without medical attention; abolished the freedom to beg of a municipal council the guarantee to be admitted to a hospital. They gave you a true Christian freedom, a hospital card guaranteeing your entry to a hospital when sick, on a co-operative prepaid basis. Is it any wonder that interest in our scheme has been aroused in people all over this continent? Even the capitalistic press at times gives this scheme faint praise. This service, Mr. Speaker, is being continued and further extended.

Six health regions are established and in operation, where medical and dental services are being granted and extended. I would like also to make a few comments with regard to hospital accommodation. In my area of the province, including the Canora constituency — that is north-eastern Saskatchewan — prior to 1944 the hospitals that existed were in a dilapidated condition. There were only 2.4 beds per thousand population, yet the medical association — and I know they are not socialists either — had estimated at the least any civilized country should have six beds per thousand population. May I point out, Mr. Speaker, that previous free enterprise administrations did not even interest themselves in hospital construction. The people of Saskatchewan, and especially in my area, for example, had the freedom to go to a hospital if they had the money, but try and find a bed. Immediately after these socialists were elected they made a survey of hospital accommodation and laid plans for improvement. This government encouraged the formation of union hospital areas and aided these unions with grants. In my area — that is north-eastern Saskatchewan — a new hospital at Theodore was completed in 1948. The Canora Union Hospital was formed and the extension of a modern wing is being opened this spring. This same union purchased, equipped and opened two outpost hospitals, one at Invermay and one at Norquay, in 1948. A Preeceville Union Hospital was formed, and the hospital extended. In Kamsack a 30-bed hospital is under construction now. Our government aided each one of these with grants. The moment the Canora hospital wing is completed and opened this year, and the Kamsack hospital

opened, we will have over six beds per thousand population in that God-forsaken area, north-eastern Saskatchewan. In the province as a whole, new construction in the past added 600 beds. The people of Saskatchewan, Mr. Speaker, are just now coming to realize the freedom of having a hospital bed available when required. I am happy to note, Mr. Speaker, that the speech from the throne proposes to continue this policy, this policy of humanity first.

I want to briefly mention the great mercy work of the Air Ambulance Service. Since its operation, almost 2,000 mercy flights have been made. Mr. Speaker, under a supposed-to-be dictatorship, close to 2,000 people of Saskatchewan had the freedom of being rushed to a hospital bed in the fastest conveyance of our modern times. Most of these, under a capitalistic government, would have had the freedom to die at home.

I will also touch, very briefly, on other new extensions and improvements of public health — a continuation and extension of the medical health programme — our improvements in the mental institutions. Never again, Mr. Speaker, will Saskatchewan be disgraced as was the case in 'Liberty' magazine. It may be advisable for me to quote portions of that article. I will quote Mr. le Bourdais, in his article on the mental institutions throughout Canada, and I will quote you the paragraph referring to Saskatchewan.

Perhaps the greatest overcrowding in any Canadian mental hospital existed in the Weyburn Mental Hospital in Saskatchewan up until a year ago; the culmination of 20 years of neglect. At that time the hospital contained 600 children who should not have been there at all, and against whose presence social workers and others had been complaining for years. The Douglas Government, however, has taken hold of the situation in a determined manner. His first step was to make mental hospitals free to all patients. Then the children were evacuated from Weyburn to a place specially prepared for them, and a new hospital is being planned, and I think that hospital is now under construction, if I am not mistaken.

I will quote another paragraph. He says again:

Nevertheless, for the miserable wretches in Saskatchewan hospitals there is hope. The government seems determined to come to the rescue. Although this will take some time, it is something to look forward to. I wish I could say the same thing for those who crowd the mental hospitals in Alberta.

Mr. Speaker, I was rather surprised to read that article myself. I didn't blame the free enterprise or capitalistic governments of this province because we knew that, but I thought the Social Creditors of Alberta, especially in the last election they carried on a campaign of Christianizing in the province of Saskatchewan, but it does not look as if they practised it in the province of Alberta.

A new service is forecast, Mr. Speaker, that will permit psychopathic treatment of alcoholics and drug addicts. A correctional programme for young offenders is being further continued and improved on modern and scientific lines. I am sure the people of Saskatchewan are as proud as I am of the accomplishments of the Department of Public Health. This great progressive stride in public health in only four short years could only have been made possible under the dynamic leadership and personality of our Premier, the Hon. T.C. Douglas. Could you imagine, Mr. Speaker, this kind of legislation and accomplishments being recommended as communistic and dictatorial? The opposition and the free enterprise press had carried this kind of propaganda in and out of election campaigns. Could you imagine, Mr. Speaker, of a more loyal Moscow propagandist singing greater praise in the interests of communism than did the opposition and capitalistic press when they connected such Christian legislation with that of communism? Is it any wonder, Mr. Speaker, that communism is on the increase in capitalistic countries?

I am very happy to note that in the speech from the throne legislation will be brought down to create the machinery for a long-term programme of electrification.

May I at this moment make a few comments with regard to the Saskatchewan Power Commission and its enormous expansion in the last four years. The Saskatchewan Power Commission was organized by a past capitalistic government to save a few losing units in Saskatchewan during the beginning of the depression. Since the C.C.F.'s election, the Power Commission has enormously expanded, has acquired all the private major systems but one, and is welding them into a single system with strategically located generating stations. Today, no matter where you drive on the highways of Saskatchewan, you notice new power lines under construction. Mr. Speaker, even north-eastern Saskatchewan, the forgotten area under previous administrations, has power lines in operation, and new power lines under construction.

One other very important point, Mr. Speaker, we do not want to forget is that power rates in the province were reduced four times in that last four years. In Canora from 15 cents to nine cents, while at the same time the cost of operation kept rising. This is one industry that I know of that has reduced the



cost of its products or energy in spite of spiralling cost of production, may I point out, abetted and encouraged by the capitalistic parties of the federal government. The most important factor of this industry has been making power available to Saskatchewan at the highest possible profit for the bondholders. May I congratulate the previous Minister of Natural Resources, Mr. J.L. Phelps, and his staff for the fast, accelerated expansion of this needed industry. I am happy to see that the new minister, the Hon. J.G. Darling, is continuing this progressive expansion. Mr. Speaker, some 13,000 enterprises have the freedom to utilize and enjoy electricity, generated by the Commission, as of 1944. Now this important freedom has been increased to some 55,000 enterprises in the province of Saskatchewan.

As a municipal secretary-treasurer, I would like to comment on the relationships of the provincial government and the rural municipalities. Road grants to the municipalities under the Liberal administration was one of political patronage, was one, Mr. Speaker, of whipping the councillors of rural municipalities into line. I recall the time when a delegation to this building was an annual occasion to obtain a paltry grant. A municipality would appoint two delegates, pay them \$90 expenses, and on their return they would come back proud champions of their people. They brought back the sum of \$200. Even this sum, Mr. Speaker, was granted on a specific road, in a specific division, where the councillor was a supporter of the Liberal machine. I remember a number of years prior to 1944 when, for example, no other division obtained a grant except divisions 4 and 5 of the rural municipality of Keys, for whom I am still working. Both of these councillors were supporters of the Liberal party. In 1944, just prior to the election, the administration here was really generous — they get generous about every four years. They gave a road grant of \$600 that time; \$200 again to each of divisions 4 and 5, and they added division 3, thinking that councillor was with them, but I assure you he wasn't.

May I take this opportunity, Mr. Speaker, of congratulating the Hon. J.H. Brockelbank for scrapping the free enterprise method of allocating grants to municipalities. Our government, the moment it was elected, devised a scientific plan which has become known as equalization grants, taking into consideration, first, the financial ability of a rural municipality; second, topography of the land and its class of soil; third, the number of provincial miles of highways in the municipality; and, four, the productivity of the land. In other words, these grants were granted according to the needs of each rural municipality. On these bases, this socialist government allocates its road grants, and they are granted to the municipalities as a whole, with no political strings attached. Yes, the truth, Mr. Speaker, sometimes hurts.

I recall that the Hon. J.H. Brockelbank circularized every municipality informing them of these changes, and requesting the municipalities not to waste public funds on delegations to the government, that each municipality would receive their fair share. The rural municipality of Keys, in 1947, for example, received \$1,440; in 1948, \$1,430, \$10 less in an election year? This is terrible. For example, Mr. Speaker, the rural municipality of Good Lake, No. 273, with its office in Canora, received over \$2,000 because it is a poorer municipality.

I would also like to point out that the hospitalization scheme, inaugurated by this government, has helped municipal finance considerably. Indigent cases in the rural municipalities were a responsibility of the municipality. Our indigent hospitalization costs were high. I recall a case in the rural municipality of Keys alone which cost us over \$500 in 1946. In 1947 we paid the Hospital Service Planning Commission \$5 for the hospital card for this party.

Illegitimate children, under previous administration, were the responsibility of the municipality. This cost was considerable in some places. Now these cases come under Mothers' Allowance Branch. Certainly the province is in a better position to take this responsibility than the limited financial ability of some of our municipalities.

The ordinary social aid, or direct relief as it used to be called under previous administration, was a responsibility of the municipality. Now the government, in all of these cases, helps the rural municipalities with 50 percent of this cost. May I say that social aid today is administered with the help of competent civil servants in our department whose aim is the welfare of those in need. They propose to the councils the use of schedules of rates used throughout the province. This, Mr. Speaker, has not been the case in the past. For example, the direct relief of 1938 was administered on a sort of competitive basis of hit and miss. A delegation usually had to come to the buildings here and the council used to make sure that they had a supporter or two on this delegation. It also depended on the ability of the delegation to present and argue their cases. As there was no plan in the department, the municipality with the most effective delegation would get the most for their people, irrespective of need. I will give you one example, Mr. Speaker, of obtaining social aid funds at this time, 1938. In the spring of 1938 there was a special request by our relief recipients for extra clothing for children attending school. Our municipality made the request but the administration here refused it. A special delegation consisting of the Reeve and a delegate representing the recipients was sent into Regina. Again this aid was refused. A few days later I was informed, on good authority, that a Reeve of a municipality, who was a great supporter of that particular administration, was in Regina and

he received a special clothing grant for his municipality — a municipality that was in the same position as the rural municipality of Keys, which I represent. I took the matter upon myself and phoned the proper officials in Regina, bringing to the attention again our past requests and needs, pointing out that this other rural municipality had received such a grant, and why was it that the relief recipients of the rural municipality of Keys were discriminated against? Finally the grant came through.

May I further say that the 1938 seed, feed and fodder advances were handled in the same planless way. In the spring of 1938, that is in March and April, the feed situation was terrible. When the farmers required to feed up their stock and get on the land, there was no feed in the municipality. But, Mr. Speaker, May comes along and, after most of the work had been done on the land, there was plenty of feed — cars of feed in every siding in the municipality. I wondered then if it was not the elections that were coming in June that had brought about that great generosity.

When speaking of special considerations just before elections, Mr. Speaker, by our previous administration, I should not forget the highways. I do not know about the rest of the province, but in our area the previous administration only had an active highway programme once every four years. Just before the elections, Mr. Speaker, you had to be a very careful motorist for you ran into little crews working on highways every few miles. These crews usually consisted of one team, scrapers, fresnols and spades, and plenty of voters. Immediately after an election, these crews disappeared like an early morning mist. Mr. Speaker, I would like to congratulate our Minister of Highways, the Hon. J.T. Douglas, on his steady highway programme, and the usage of modern machinery for highway construction.

Mr. Speaker, the changes we have made and the continuation of the administering of road grants, child welfare, social aid, highway building, are commending to restore confidence and respect in political men, and I am glad that the speech from the throne continues this.

Sir, it is with the utmost pride that I now move, seconded by Mr. Walker, that an humble address now be presented to His Honour the Lieutenant Governor, as herewith submitted.

**Mr. R.A. Walker (Hanley):** — Mr. Speaker, I rise to second the motion of the hon. member for Canora. Before I address myself to the particular question before the House, I trust that it will be in order for me to make a few preliminary remarks.

I would like, first of all, Mr. Speaker, to congratulate you on your election to the position of Speaker of this House. I am sure that the new member, when he rises in his place, to address this House for the first time, will get much of his confidence from his knowledge of your reputation for fairness and integrity.

May I also, at this time, congratulate our Premier for the endorsement which he and his Ministers received at the polls last June. I should also like to congratulate him on his re-election to the leadership of the Saskatchewan C.C.F. one month later. We are, I hope, assured that we will continue to have the benefits of his leadership and his statesmanship for many years to come in this province.

I would also like to take this opportunity, Sir, to extend my felicitations to the Leader of the Opposition upon his elevation to the leadership of his party and upon his election to this House. I believe, Mr. Speaker, that at least one present member of this House has had previous parliamentary association with the hon. Gentleman. It is my earnest hope that the hon. gentleman will find his previous association of some value to him in finding his rightful place among us here.

I confess, Mr. Speaker, that my task is not easy this afternoon, following as I do the hon. Member for Canora. I am sure that you will agree that the hon. Member has acquitted himself so well in this debate that the wisdom of the people of Canora in sending him here cannot be challenged. It is an honour well recognized in parliamentary circles and elsewhere to be invited to open the debate on the speech from the throne. I should remind you, Sir, that the member for Canora, then Mr. Feeley, and the member for Hanley, then Mr. Aitken, fulfilled this function in this debate, and so I think, coming twice as it does in the space of two years to those two constituencies, that that is an honour which should be sincerely acknowledged today. On behalf of the electorate of Hanley, I want to express my sincere acknowledgment of that honour this afternoon.

Before I begin the main body of my remarks, I should say something about Hanley constituency. I realize that it is a time-honoured custom, hoary with age, for members when speaking for the first time to make some remarks about their own constituencies. Well, I am one of those fortunate members who can, completely retaining his integrity, say some nice things about his constituents.

I should, first of all, say that the constituency of Hanley is located in about the exact geographic centre of the population of Saskatchewan. There are some who live further south in Saskatchewan who regard that as being in the northern part of Saskatchewan. Well, that just isn't so, there are as

many constituencies south of Hanley as there are north, and there are as many east as there are west. Hanley is situated almost in the geographic centre of the populated part of the province. It is also said of these same people that they come from all parts of the world and are made up of all those people of racial origins which make a great contribution to our country. All I am going to say about the people of Hanley, and where they come from, is that they are Canadians. They make up a cross-section of the occupational groups in Saskatchewan. It is devoted chiefly to the production of grain, largely wheat. An important agricultural product is dairy products and meat and livestock. It is not wholly dominated by one part or one segment of agriculture. It also has a fair urban population. They are about nine or ten incorporated towns and villages in Hanley, the largest, of course, of which is Sutherland. Sutherland, being my home town, naturally has a place very close to my heart. I could say a lot of nice things about Sutherland. I think you are probably aware of Sutherland because it is the seat of our provincial university – I notice the Minister of Social Welfare is raising his eyebrows. There is a part of Hanley constituency, right in the heart of the constituency, a small town which we know as Saskatoon, and they also take some pride in the university. As a matter of fact, the university is bordered on one side by Saskatoon and on the other side by Hanley constituency.

The constituency of Hanley has within it a wide variety of soil formation, a wide variety of topography. It is a widely varied constituency, there is some of the heaviest and best of wheat growing land in Saskatchewan to be found there. There is also some of the best coarse grain farming soil found anywhere in Saskatchewan. It has crossing it the main line of the Canadian National Railway, and it has passing directly through northern highway system of Saskatchewan and, incidentally, it has received its fair share of new modern highway construction in Saskatchewan.

With that I feel that I have introduced you to Hanley and Hanley to you. I just want to conclude by saying that I am very proud indeed to be their representative here in the Government of Saskatchewan.

As we are beginning the first session of a new Legislature, it is appropriate that we should take some stock of where we are going and what we propose to do. This is the logical time to take stock. Every four years in Saskatchewan the citizens and their elected representatives meet together in an election campaign. They thresh over public questions and the public get acquainted with the policies of the various political parties. It has been known to run into six years,

but from now on, of course, it will normally be every four years. As a result of these election campaigns, a new Legislature emerges. It is the job of this new Legislature to enact legislation according to the policies that meet with the approval of the voters at that election. One must be very careful in drawing conclusions as to what the voters decided in the election. For instance, we remember the story about four years ago of the farmer who, when he was told by some member of the opposition that an elected C.C.F. government would take away his farm, he advertised it for sale. Now, I say, that may have happened four years ago, but I suggest that surely it couldn't have happened since that time because I don't believe that there is any recognized spokesman on behalf of any political party who would be dishonest enough to make such charges today, nor do I think that there would be any large group of people who would be gullible enough to believe them. But, as I say, it would be a great mistake if we were to say here in the Legislature that this Legislature has a mandate to do all the things which the opposition threatened it would do. We must look rather to the declarations of policy of the various political parties seeking your support, and we must look to the record of performance of the various political parties.

Now I do not propose, Mr. Speaker, to go into all the details of the platform of the C.C.F. at this time, or to review the record of accomplishments of this C.C.F. government. Those things are a matter of public record that he who runs may read. I believe, however, that it would be useful for us to survey, in a general way, the main problems against which the voters of Saskatchewan held up the programmes of the various political parties to study. I think that the single fact which stands out in the economic picture of North America is the growing concentration of economic power in the hands of a few. The units of industry and finance flow inexorably together into great monopolistic concentrations of ownership and control. That, I repeat, Mr. Speaker, is the fundamental problem which the people of Saskatchewan faced last June.

To those who are alive to what is going on about them, it is not necessary to present statistical proof of those facts; President Roosevelt called attention to those facts on many occasions, and to the average person monopoly control reveals itself in the uniformity of the prices of, for instance, farm machinery, paints, insurance, tobacco, electrical goods, bread and things of that kind. This tendency . . .

**Mr. G.H. Danielson (Arm River):** — (Inaudible)

**Mr. Walker:** — . . . I suggest that the hon. member for Arm River is well known for his ability to take his own time to make his own speeches, and I suggest that he permit other members to do the same.

This tendency is apparent and noticeable to the small retailer as well. The small retailer feels the pinch of monopoly when he feels he is compelled to handle only specified lines of goods, to sell them at specified prices, when he finds his trade dominated by big monopolies who produce and distribute in wholesale and retail in competition with him. It is apparent to the farmer — I am going to speak about the Government Insurance — that economy of ours is monopoly-ridden when he sees the big machine companies, the oil companies, raising and lowering their prices without any regard to cost of production — the price of beef and pork, the way it varies, completely independent of conditions upon the retail market, indicates that those people have complete control over the industry, and it is useless for anyone here, or anywhere else, to pretend that this problem does not exist. It is the major economic and political problem facing us in this century.

We do not need to look very far to find the reason for this, this growth of monopoly in finance and industry. The introduction of the machine brought together the hands who used to work at home under the factory roof. The machine, growing ever larger, more efficient, demanded more labour, and the result is that you have mass production, huge industrial plants, and these tended toward monopoly.

As a matter of fact, there are some industrial processes which cannot be organized on a small scale, and the cost of establishing a modern blast furnace is something which deters all but the largest industrialists from entering. Henry Kaiser found that out when he proposed to get his own sources of steel. So the steel monopoly goes undisturbed in America.

The farmer and wage-earner, however, have no opportunity to take advantage of these facts of monopoly control. The farmer and the wage-earner who try to raise their price have priced themselves out of their own market. So the farmer and the wage-earner, while unable to take advantage of monopolistic organization, nevertheless find themselves penalized by the monopolies for whom they work and from whom they buy.

So I suggest if you merely look at the profit records of some of these big corporations, you need look no further to be convinced of what is happening in industry. For example, it has been reported that the Dupont Chemical Company netted

\$72 million in the first half of last year; General Motors, \$213 million in the first half of last year. For the full year of 1948, Proctor and Gamble netted more than \$65 million, and the United States Steel Corporation, \$185 million. Those figures, I suggest, Mr. Speaker, make our provincial tax bill of something less than \$20 million look like “peanuts”. But those figures indicate something very serious. They illustrate the complete irresponsibility of big business in raising prices in the face of higher living costs and lower living standards.

Further, besides the fact that you have this extortion of the wage-earner and the primary producer by these big monopolies, you have very convincing evidence of their domination over government itself. We saw the situation at the end of the Second World War, where big business went on strike against the price controls being imposed over the prices of farm machinery, bathtubs, building materials of all kinds. We saw big business go on strike and the federal government back down in the face of their threats. The federal government abandoned price control. Yet the producers of coarse grains cannot get attuned to the same channel as these big interests are; they cannot get a producer’s marketing board for coarse grains; they were bound by the ceiling prices long after they were taken off the products of these big industrial monopolies.

So there is very grave evidence that our government, federal government, is becoming merely the handmaiden of big business. We had some indication of this state of affairs back in 1939. You will recall, Mr. Speaker, that in 1939 the federal parliament enacted legislation which prohibited the letting of contracts to the armament industry unless they complied with the regulations, namely, that they should be on a basis of cost plus five percent. You will recall that on September 12, 1939 the then minister, Mr. Howe, came to parliament and admitted that big business, the munition makers, had rejected those terms and had emphatically stated their own. So, besides whittling down the living standards of our people, these big corporations challenged the supremacy of our very governments.

But I suggest there is still another danger flowing from monopolistic enterprises. I suggest, Mr. Speaker, that you cast your mind back to about this time last year; early last year there was very grave evidence of uncertainty in the economic and financial life of this continent. Retail prices were beginning to fall, wholesale price indexes were falling, unemployment was developing into larger and larger proportions in the great industrial labour markets of eastern America, grain prices, where they were not pegged, fell disastrously. Those were conditions which could very easily have been the beginning of another economic depression. Last year, in May, Secretary of State Marshall announced a “Marshall” plan, a plan which



proposed spending some six or seven million dollars in one year to purchase the output of American industry and to send it abroad. As a result of the Marshall Plan, American industry picked up, the stock market rose to new heights, the industrial prices went up and they finished the year with a record of prosperity.

I suggest, Mr. Speaker, that that ought to suggest something to us; that our North American economy is, indeed, very vulnerable. Our prosperity is but a bubble which may be pricked at any moment, and which will collapse about us. Why is that important? What has that to do with monopolies? Well, last year, 1948, according to Time Magazine, the total net industrial profits in America were 21 billion dollars; the largest part of that huge slice of the national pie is at the disposal of a small group of investors and corporations, stockholders and directors. That huge sum of money is available to them to spend or invest in any way they choose, or to refuse to invest, and the failure to spend that, or any substantial part of it, would have an exactly converse effect to the effect that the Marshall plan has; the drying up of demand for goods, industrial production, could bring down the American prosperity upon the American people, and the power to do that is left in the hands of a very small group of completely irresponsible financial despots.

I suggest that the Hon. Mr. Winters, in Toronto on January 24, dropped a very good hint that these conditions are probably not so very far away. He was speaking to the construction industry there, and he pointed out that in 1949 it was not expected that business would invest as much money in industrial construction next year as they had in the past. That could very well be but the beginning of a collapse in our economic cycle. And so I suggest, Mr. Speaker, that to leave control over the very prosperity and standard of living of all our people to this small group of financial pirates is the very negation of democracy. By permitting those large sums of money, which arise out of an overcharge on the price of everything that we buy to be wielded by this small group of people, who are in no way responsible to the public, is for the people to abdicate control over their economic destiny. A great Canadian once said: "He who controls the money of the nation controls the nation."

The voting public have come to realize these things to be so. Naturally, they are gravely concerned. They feel the question of what policies we should adopt with reference to coping with these conditions, and to wrest self-government back into their own hands, is the major political problem of this century. Thinking people are examining the programme of each political party to see how well it conforms with this great social need of restoring economic democracy to our people; and they are examining the policies of each party. They look at

the two old parties and they say: “What have you done to prevent this ever-growing threat to our free way of life?” Well, thinkers in the Liberal party, I suppose, reply that they have several economic measures which are designed to prevent the growth of monopolies. First of all there is the income tax which is supposed to drain off large accumulations of savings, and to prevent large accumulation of capital. That was, I believe, one of the reasons Mr. Lloyd George, who introduced the income tax into England, gave for advancing it at that time. I suggest, Mr. Speaker, that the time has passed when it is an effective means of curbing the evergrowing concentration of industry. Because what do you have? You have the situation where the big monopoly pays the income tax and charges it back to the consumer, and they can get away with it; but the little competing firm in some other line of industry pays the income tax and they can’t charge it back because they don’t control their own prices, so the little fellow gets it in the neck again, and the big monopolist passes the income tax on to the public.

On another front, and I note that the Leader of the Opposition, speaking in a Provincial Affairs broadcast, made much of it, the old parties propose to attack this growing problem of monopolies by means of their Combines Investigation Act. That was passed about 25 years ago, and it provided penalties for price-fixing and other monopolistic practices. It was based upon the theory that you can legislate against the most fragrant monopolistic practices, and that you can legislate against their dinner-table understandings. Of course, as a result of the Act, we have had periodic investigations under the Combines Investigation Act. We have been treated to an investigation of the radio and electrical industries; we have had an investigation of the tobacco industry, but no important consequences resulted from either of them. They both came just before an election campaign so maybe there were some consequences, but not important social consequences.

Then, today, of course, we are being treated to a revelation of abuses in the baking industry. Well, of course, that is just coming again on the eve of a general election campaign. It might be productive of something useful, a new election slogan of say, “Bread and Margarine in Every Dinner Bucket” or something like that. But, for purposes of curbing this growing threat of monopoly, there has been no significant results.

Apart from the fact that “trust-busting”, as it is called in the vernacular, is not really effective in destroying combines, there is another more fundamental objection to it. Suppose, for example, that you decided you wanted to, and then went ahead to do it, break up our Canadian railway system into six or eight competing corporations. If you did that you would have a situation similar to what they have in the United States, where they have two or three or four alternative routes between

any two given points. You get unnecessary duplication very often by breaking up these monopolies into various competing units. The result is that you get what they have down there, a higher rate structure, and less efficient equipment and service.

Suppose, for instance, that you break or divide up the nickel resources of northern Ontario among half a dozen competing firms. The result would be that you would destroy monopoly, it is true, and restore competition, but at the same time you would increase the cost of nickel by reducing the efficiency of each producer. In the C.C.F., I submit, we have a remedy. But there is one other objection I wish to make to this "trust-busting" technique. There is a queer analogy between breaking up these monopolies into less efficient units. There is a queer analogy between that policy and the policy followed by the Luddites, the machine-breakers in England 150 years ago. Those poor people, blaming the evils of long hours and oppressive working conditions upon the machine, broke into the factories, smashed the machines, broke the windows on every opportunity that presented itself. Those people blamed the machine for the evils of the factory system. I suggest that that is a rough analogy to what the Liberal and Conservative parties do when they break up a monopoly. The machine offered the working man an opportunity to free himself from long hours of daily toil by producing more abundance at lower cost. If there are economic advantages in monopoly production, then we should harness those advantages for the greater prosperity and well-being of our people.

So I say, we in the C.C.F. have a remedy. We say that we look around us and we see a great many monopolies of one kind or another. Most of them were set up in years gone by. There is the old postal system which has been going for over 100 years, set up in the days of Queen Victoria, which gave the Royal Mail a complete monopoly on mail handling, and barred competition by law, with heavy penalties imposed. Then, of course, there is the Canadian National Railways, the Trans Canada Airlines, our own telephone service in Saskatchewan, set up not by the C.C.F. government but by Liberal and Tory governments. So, I say, if people who do not believe in the principle of public ownership can operate as successfully as those enterprises were operated, then surely there is a sound and secure place for public ownership and public enterprise.

So we say that we may solve this problem of economic domination by the big monopolies by subjecting those big monopolies to popular democratic control. The real danger lies in this monopolistic control of our nation, and, I suggest, we have the remedy. Mind you, I do not say that that remedy can be universally applied, willy-nilly, it must be applied carefully and scientifically, but that is the remedy to the irresponsible control of huge sums of money by individual monopolists, industrialists and financiers. That is the remedy to exploitation of

the consumer and the producer by those who seek only private profit. I suggest that the apparent helplessness of the federal government to control profits and prices, their impotence to solve the problem of the economic cycle, their inability to subject the powerful monopolies to the sovereignty of the state, their helpless bondage in the coils of international finance, demonstrate the complete and dismal failure of 19th century concepts of Liberalism to cope with the problems of the 20th century. This refusal to cope with this real threat to economic freedom, and economic well-being of our people demonstrates the utter bankruptcy of the Liberal party.

Mr. Speaker, when you undertake to restore these monopolies to public ownership and control, of course there are those who will raise the cry of freedom. I suggest, Mr. Speaker, that the people of Saskatchewan should beware of that kind of freedom which gives to Proctor and Gamble the right to make \$65,000,000 from the grocery money of the housewives of this country. I suggest that that kind of freedom is merely the freedom of the hog to get the profits. I am convinced that last June when the people of Saskatchewan voted, they knew which side they were on in this struggle of monopoly profits versus the people. It is not necessary for me to say which side I think the Liberal party is on. The advertising campaign conducted by the insurance interests of Saskatchewan last summer should indicate which side they think the Liberal party is on. Recent advertisements, published by the chartered banks of Canada, should suggest which side they think the C.C.F. is on. I believe that the people of Saskatchewan are fully conscious of this struggle, and I believe that it is on that basis that they made their decision. "Ah", they will say, Mr. Speaker, "there are twenty members in the opposition; that should indicate that the people of Saskatchewan have changed their minds." Let us pause for a moment and look at the facts: first of all I point out that since the 40 years this province was established, never has there been a government opposed by the Liberal party that has ever been re-elected till 1948. What of the fact the opposition has grown in strength from five to 21? We must enquire a little further. In the previous House the five gentlemen who sat opposite represented the Liberal party. Who does the present opposition represent? Does it represent the Liberal people of Saskatchewan? Does it represent the Conservative people of Saskatchewan? Does it represent the Independents and the Coalitionists, or does it represent all those groups?

**Mr. W.A. Tucker (Rosthern):** — It represents the freedom-loving people, if you want to know.

**Mr. Walker:** — It is, Mr. Speaker, I think, significant that in six out of 49 constituencies in Saskatchewan did the Liberal party and the Conservative party nominate candidates to oppose one another.

**Mr. Tucker:** — In only one did the Communists nominate against you.

**Mr. Walker:** — In each of the remaining 43 constituencies only one candidate represented the interests of both parties. To those who are interested in assessing the status of the Liberal party in Saskatchewan today, that is a significant fact — from a position, four years ago, where the Liberal party dared to put a candidate in every constituency.

In 1948 the percentage of votes cast for the C.C.F. dropped from 53 to 48 percent. I suggest that if any of the members of the opposition who heard me, they should clap. But the Liberal vote dropped from 35 percent to 31 percent, and the Conservative vote dropped from 11 to eight percent, and if you combine them both, the Liberals and the Conservatives, Independent Liberals and Coalitionists and all the rest of them, their total vote declined, actually, from 46 to 44 percent in those four years. I suggest that if those figures mean anything, they mean that the two old parties are not on the march to the promised land. They demonstrate something much more important. They indicate that the people of Saskatchewan still support the policies of the C.C.F. and approve of the record of this government.

The C.C.F. have always recognized that its programme cannot be implemented solely by a provincial government, nor can it be brought to its full fruit by a federal government. For, under our constitution, the jurisdiction to govern in Canada is divided between the federal and provincial authorities. It is impossible, for example, for any province to so plan the economic activities of the province as to stabilize and expand business and income. It is impossible for us to embark on a programme of economic planning, on a provincial basis, successfully, and it is impossible for us to guarantee a stable measure of employment. I am pleased to note that my hon. friends opposite agree.

I will now proceed to explain why that is so. In Saskatchewan, of course, you can give a measure of stability to the producers of timber and fish by providing them with the machinery for the orderly marketing of their produce. But a large part of our provincial production takes the form of grain, livestock and that sort of thing, which must be marketed outside our boundaries and the marketing of which comes outside the exclusive jurisdiction of the provincial government, and the laissez-faire policy at Ottawa can very quickly knock the bottom out of the largest segment of our provincial economy.

So economic stability, so long as it is based upon sound economic planning, is beyond the jurisdiction of a provincial government.

That is only part of the story. Those hon. members who are farmers well know that a \$75 per quarter-section on their farm land is not oppressive in a year when wheat is selling for \$1.60 a bushel, and yielding 25 or 30 bushels to the acre; but it is very seriously oppressive in a year when wheat is worth only 50 cents a bushel, and the production is only five or six bushels to the acre. And it is that fear that a laissez-faire federal government will permit, as they have done before, the bottom to fall out of the largest segment of our economy that is putting our people in fear of the taxes they have to pay for their local services. Today, it is true, those taxes are increasing, and increasing because of the higher cost of doing business, increasing because of the inflationary policies, which I denounced a few moments ago, of the federal government. Those taxes may very well be a millstone about the neck of our people if our federal government neglects its obligation to so regulate those practices which lead to depression, and which lead to war.

To those who understand that fact, it is very easy to understand why a provincial government must always be on guard. A provincial government could very well build up an elaborate system of social security and social services, only to have it collapse by the removal of the foundation by a laissez-faire federal government. So, in Saskatchewan I have no doubt that our provincial government has taken what measures it can to make our social services and our government secure against such collapse. To a large extent we have done this by cutting out a lot of wasteful policies carried on by the previous government. For instance, it is no longer possible to find in Saskatchewan political organizers running around under the guise of highway inspectors. It is no longer possible that large sums of our money are being wasted in graft in the purchase of our material and essential supplies. We are realizing sizable surpluses as well, Mr. Speaker, from the operation of our crown corporations.

**Mr. Tucker:** — That's a joke.

**Mr. Walker:** — In the end, Mr. Speaker, having made those savings, and in spite of giving increased services to our people, this government has been able to reduce and take away the retrogressive features of the education tax imposed by the late Liberal administration. As I have pointed out, Mr. Speaker, a C.C.F. government at Ottawa could do two things to make our tax burden easier to bear. First, they could use the profit from our big monopoly industries to defray some of the cost of its social services. Secondly, they could guide the economy of our country so as to maintain an ever-expanding standard of income, and standard of production.

It is well known, of course, control of these big monopolies lies with the federal government. Likewise, the control over the general level of prosperity, by sound economic planning, lies within the exclusive sphere of the dominion government. But the province is taking what measures it can to expand the income of the people of Saskatchewan. In Saskatchewan, I am pleased to note, mineral production has reached a new high. In the last year of the Liberal administration it was around \$24 million and this year it is up some \$12 million above that, or some 50 percent, according to the latest available figures. The province is doing what it can to expand agricultural production by the institution of special services to agriculture, planning services which enable the farmers to work together for the community common problem of increasing stabilization of their production.

I am pleased to note that in this year's speech from the throne, further attention is being given to expanding agricultural production and putting it on a sounder basis. Those are things which a province can do; those are things which, I am pleased to say, form a part of the policies of this government.

I have in my hand an address delivered by the Leader of the Opposition over the radio. We are familiar with his tactics, going about this province denouncing this government and saying that big business is afraid of it, that big business is afraid of the C.C.F. I suggest, Mr. Speaker, this clipping from the editorial page of The Leader Post in which you will find the following: "The Department of Natural Resources has been extremely active in pushing the opening up of the northland. Last spring it introduced aid to prospectors to encourage prospectors to investigate the mineral possibilities in the north. Discoveries made this summer and fall show that this plan is paying dividends", and further on in the second from the last paragraph it says: "These men were able to sell their prospecting rights for considerable sums of money to eastern companies which will develop the fields." And this editorial points out that mineral production is increasing under the policies of the C.C.F. Far be it from me to say that we can expect general approbation from this newspaper. I read this to you, Sir, to indicate that the voices of reaction speak in many tongues.

**Mr. J.G. Egnatoff (Melfort):** — I would like to know, Mr. Speaker, if the hon. gentleman now believes in big business?

**Mr. Walker:** — Mr. Speaker, I have spent the last five or six minutes attempting to show just who is the voice of big business.

I am not endeavouring to question, Sir, that either The Leader Post or the hon. gentleman to whom I referred are eminently qualified to speak for big business.

The proposed extension of the prospectors' assistance plan will, no doubt, result in increased prospecting activities in our northland. The additional research that has been carried out by this government will make new fields of exploration available to them, as well as new ways and means of disposing of our minerals when they are developed.

I welcome particularly, Sir, the reference in the speech from the throne to the extension of irrigation and water conservation programme. I point out to you that in the Hanley constituency some of the most irrigable land in Saskatchewan abides. We have there, passing through Hanley constituency, the greatest source of water in this province, and it is my sincere hope that when and as this irrigation programme develops that it will produce some benefit to the people of Hanley constituency.

There is just one other reference that I wish to make to the speech of His Honour. I would like to refer briefly to the promise that the government has under consideration a programme of scholarships to further the studies of our young people in our provincial universities. I believe, Mr. Speaker, that the principle form in which assistance to the universities should be given, should be to ensure the opportunities of those who are worthy and deserving of higher education. I believe that those scholarships should be available particularly to those who demonstrate on their democratic records that they are adaptable to university education and who are willing to do so. I welcome that particularly, Sir, and I feel that it is a worthwhile culmination of the programme of dominion-provincial inter-training scholarships which have been given over the past several years. I think that there is nothing that will go so far to develop our province as to educate or give the opportunity for education to the young people of Saskatchewan, and I particularly welcome this provision for a plan of university scholarships to be made available to our high school graduates.

May I be permitted, Sir, in conclusion, to just sum up. The people of Saskatchewan have recognized the growing threat of monopoly enterprise to our free way of life. They have emphatically accepted the C.C.F. way as the only way to restore economic democracy. They applaud the accomplishments of this government in that direction, and they have confidence in the ability of this government to lead us on to greater abundance and security. These reasons, Sir, are why I am very pleased to second the motion of the hon. member for Canora.

The Assembly adjourned at 5:47 p.m.