

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Eleventh Legislature
22nd Day

Friday, March 17, 1950.

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

ON ORDERS OF THE DAY

UNPARLIAMENTARY REMARKS

Mr. Speaker: — On Wednesday last, the hon. member for Redberry, (Mr. Korchinski), when speaking in the Budget Debate, referred to another hon. member in terms which, being unparliamentary in my opinion, I asked him to withdraw, and he did so. So far as I was concerned the matter closed there. Unfortunately, however, the remarks on the hon. member were reported in the Regina 'Leader-Post' of Thursday, not exactly as they were said; indeed, the press report went even farther than the hon. member for Redberry. No mention was made of the withdrawal and it is this omission to which I will draw to the attention of the House. I cannot think that in giving the impression that the remarks went unchallenged, the newspaper contributed to the prestige of this Assembly throughout the country. Perhaps the House will permit me to read what the hon. member for Redberry said, as recorded and transcribed, and also the newspaper report of his statement. The transcript reads:

“Who is the person who attacks capitalism; who attacks the American theatres (and I say ‘God Save America’); who never exposes or condemns Russia, who sanctions Communism, a man who makes declarations of faith in this Legislature? Who is that man? I say that that kind of a person is a fellow-comrade, is a fifth-columnist, is a Communist and is the worst type of Quisling in existence.”

And that is when I called the hon. member to order and asked him to withdraw, the statement. The newspaper report adds to it. The hon. member is reported as saying: “a fellow-traveller, a Communist, a fifth-columnist; the worst type of Quisling and a traitor.” Now the transcription certainly does not contain that word ‘traitor’, and I am fairly confident the hon. member did not add that word himself.

I would like to draw the attention of the members of this Assembly, but it may be advisable that the members do make themselves a little more familiar particularly with that portion of Beuchesne which establishes the parliamentary rules regarding remarks such as were passed by the hon. member for Redberry, and, I may say, remarks passed by other members of the Assembly, on both sides of the House. They are certainly unparliamentary; and I am going to instruct the Clerk to have a few excerpts made from Beuchesne, particularly with reference to questions such as this, and make them available to the members. It is very regrettable

March 17, 1950

indeed, and certainly does not add to the dignity of this House, when members, in the heat of debate, ascribe motives to individuals or groups which, made in the heat of discussion, through a little political heat or maybe a little political bias, certainly do not reflect, I am sure, the actual opinion of the person who is speaking, and I am going to ask that in future they refrain.

This particular episode, the statement that was made in calling an hon. member of the House and a member of the Cabinet, a member whose loyalty I don't think can possibly be questioned, and having it reported in the Press that an hon. member in the House, with impunity, did call him a traitor, does not add at all to the dignity of the House and I think it would be very becoming if the press would make some correction. In fact if the Press cannot square us in this affair, we may have to consider what alternative action may be taken. I am sure, however, the Press will make the necessary changes and I hope will give it the necessary prominence, I am sure also that the member for Redberry did not really mean that the hon. member to whom he was referring was a "Quisling and a traitor" — I think it was done in the heat of the moment.

Hon. T.J. Bentley (Minister of Public Health): — Mr. Speaker, on a point of privilege as to the integrity of members of the House, particularly veterans, I wish to take two advantages of this privilege, on their behalf. The first one is in connection with the matter just raised by Your Honour. I would like to point out that the Hon. Mr. Sturdy has had eight years overseas service in two world wars.

Members: — Hear! Hear!

Mr. W.A. Tucker (Leader of Opposition): — What is the point of privilege?

Hon. Mr. Bentley: — This is a point of privilege affecting veterans in the Legislative Assembly. Mr. Sturdy is a life member of the Canadian Legion.

Mr. Tucker: — Mr. Speaker, if the hon. member is going to do this, I will claim the right to speak on the remarks made by the hon. Minister himself against my colleague from Redberry.

Mr. Speaker: — Order. I think it would be better to bring this matter to a close and I suggest that the hon. members concerned should get together and arrange a mutual apology.

Hon. J.H. Sturdy (Minister of Social Welfare): — With reference to the remarks made by the hon. member from Redberry, I don't propose to take that insult. If the hon. member chooses to take your protection and the protection of this House to make statements of the nature that he made, I don't propose to take them. Yesterday, because one hon. member of the Opposition was accused of "being wet behind the ears" (and surely that is not the insult that was tendered to me), one of the hon. members on that side of the House got up and defended him, and I see no reason why the hon. member for Gull Lake should not be placed in exactly the same position. I am not satisfied that this matter is closed.

Mr. Speaker: — A point like that can only be taken by the person concerned.

The House resumed, from Thursday, March 16, the adjourned debate on the proposed motion of the Hon. Mr. Fines: That Mr. Speaker do now leave the Chair. (The Assembly to do into a Committee of Supply.)

Hon. Jas. A. Darling (Minister of Public Works): — Mr. Speaker, I do not know why it should fall to the lot of a Scotsman to speak on this day which is dedicated to the Irish, unless, of course, it should have some connection with the fact that the patron saint whom all Irishmen honour today, was a Scotsman. I had proposed, Mr. Speaker, had I had more time allotted to me, to make some reply to the very splendid address of the hon. member for Gravelbourg (Mr. Culliton), but again you may say it is out of courtesy to him, because of the green that he is wearing today, that I am going to allow him to pass without comment. I notice that the Department of Public Works, true to its general principles, has dealt impartially with everyone in the House. I notice we all have those little shamrocks on our desks. Perhaps, today we are feeling a little bit as Theodore Roosevelt was supposed to feel: when he attended a wedding, he always wished that he were the bride, and when he attended a funeral, he wished he were the corpse. So all of us today, have a warm feeling towards the Irish.

Now, Mr. Speaker, I propose to begin immediately to deal with the Departments over which I have charge. I have been a little surprised, during the Session, that there has been so little comment on the power development in Saskatchewan. I have been listening to hear what the hon. members on both sides of the House might have to say in connection with this important development. Possibly the Leader of the Opposition has set the keynote in his opening address when he said that he was going to refrain from comment because some Bills which were forecast in the Speech from the Throne would provide an opportunity for discussion. However, I feel, as the Minister responsible for the Power Corporation and in view of the great interest which is continuing, is building up, in fact, throughout the province, in rural power development, that I should take this opportunity to give some report of our work and our programme.

A year ago, we passed the Rural Electrification Act. While some rural electrification had been carried on, some farmers had been served, before that time, The Rural Electrification Act had the policies set down therein, was the first serious or systematic approach to rural electrification in Saskatchewan. That Act provided for certain quite definite drastic changes in the contribution of the Corporation and of the farmer. It is not easy to put across a change of that kind. It is not easy, just because we think of it down here in Regina and so legislate, to explain to the people of a big province such as this, just why we have done it and why it is necessary, and I want to say now that I have been more than pleased at the degree of understanding that has been

March 17, 1950

achieved throughout the province, and the degree of acceptance of the policy our farm electrification set forth in The Rural Electrification Act.

This has been quite an outstanding year in the progress of power development in the province. First of all, as you all know, we secured the services of a new general manager, Mr. J.W. Tomlinson, who was chosen very carefully from a number of applicants for the position, and he came to us from the Manitoba Power Commission. A good many of us, I am sure, have met him personally and have learned to know him, and I, at least, feel, and I know that the Government feels, that he was a fortunate choice to head up our organization. As soon as Mr. Tomlinson had been installed in office and had begun to size up our organization here, he had certain proposals to make. It was immediately obvious that the organization, as it was then, was quite inadequate to take care of the extended programme which we had in mind, and Mr. Tomlinson began to reorganize the head office. He secured, or we secured, again by advertisement, and again from the Manitoba Power Commission (I hope that Manitoba Power Commission is still carrying on), Mr. J.R. Sarsfield, who now fills the office of Commercial Branch Manager here in Regina. Mr. Sarsfield too, is proving a very welcome addition to the head office staff. Then the recent and prospective growth of the organization required that we should keep a closer tab upon our accounting, upon our budget and upon those various things that go to make good financial management of the Corporation. We again advertised for someone to fill the office of comptroller, and again I think we were fortunate in securing Mr. Frank Copithorne, who came to us from the British Columbia Electric Company, and who has already commended himself to his colleagues in head office. So I feel that, with these substantial additions to the senior staff of the Corporation, and the fact that they are quickly becoming oriented in their jobs, we can look forward to a well-organized effort during the coming year.

There has been, as I say, a pretty good understanding throughout the country with respect to the programme that we have laid out, and I think that there is a good deal of credit due to those men who have gone out to speak to the farmers, to hold public meetings, to organize the development of power projects, in that they have succeeded in maintaining such fine public relations. I am going to read to you, in a little while from a letter which I received from one of them. But we have had particular difficulty, this year. A power development programme never comes to any dead end. It is a thing that carries on continually. At the present time, I am quite sure, although I have not taken the trouble to ascertain the fact, that half of our 1950 programme is already organized, that we know where we are going as soon as the construction programme begins in the spring. And similarly last year; the programme for 1949 was, or at least part of it was, already prepared, or the arrangements had been made, contracts signed and everything made ready to proceed, so that our programme during 1949 has not all been made ready to proceed, so that our programme during 1949 has not all been according to the terms of The Rural Electrification Act, it has been a sort of composite between the old programme and the new one. It is not surprising that we have had a good deal of explaining to do throughout the country, to say just why this man received an installation under one plan and another not far away received the installation under the new Act. And again we have been fairly successful. One of the first decisions of the Board of Directors

was that we had to honour all the commitments that had been entered into by the Power Commission before the passing of The Rural Electrification Act. So a good part, or at least the early part, of the last construction season was occupied to a large extent in completing the programme that had been committed for in 1948.

I said that I was going to read to you from a letter which I received from one of those men who went out and did the organizing, or the field work, for the Corporation, in direct contact with the farmers. I asked him for this letter, because I was interested in knowing. It is all right for me to try to judge from my office. I get letters; but the only people who write to me are those who feel that they have some grievances, and I have had a few of those letters; though not very many. The men who go out and meet farmers in public meetings, however, are in a splendid position to judge what the farmer's attitude is and will be. This field man writes:

“Generally speaking, I have heard very little criticism of the cost of service to farms. Where there have been misunderstandings, or lack of information, I have found that an explanation of our problems clears up the criticisms that may exist. The fact that we have no cheap hydro power, the vast distances involved, and the sparseness of the farm population, are always well accepted and fully understood by the farmers. The cost of service from us as compared to the cost of operating private individual plants, plus the fact that from us they receive three to four times the amount of power with no future maintenance expense, is also a strong selling point. The farmers, generally, appear to realize that it is impossible to ask the Government to bear full costs of rural lines and equipment. Quite often we have encountered difficulties in areas bordering the Province of Manitoba, where the farmers are quite aware of the fact that service is provided in Manitoba at no cost to the farmer.

These points I have mentioned above are complaints or criticisms levelled by the farmers who are quite well able to finance the cost of power, should they wish it. As well as these, we have individual farmers in all groups who feel that the cost is higher than they are capable of paying. When you take into account the fact that there is the cost of wiring, and the cost of appliances that must be added to our cost of providing service, it is easy to see where, in an average farm, a thousand dollars can be expended. This is more than some of them are prepared to pay, and as a result they do not become customers. However, in most of these cases I have not found that they blame the Government or our policy for the costs of providing service being as high as they are; rather, they seem to adopt the attitude that they will take service if and when they are able to afford it, and many of them begin laying plans for taking the service as soon as possible.

That, Mr. Speaker, is part of the letter. The letter is too long for me to read in its entirety, but there is another part that I think

March 17, 1950

will be interesting to the House:

“You are doubtless interested in the feeling of the farmers so far as the speed with which we are going ahead with rural electrification is concerned. Again speaking generally, I have heard very little criticism of this. They all seem to realize that last year marked a turning point in rural electrification, and do not seem to be expecting more than we can give. It is surprising, though, how hearing of a little group being built here and there seems to create the impression that we are going ahead with a large programme and are doing our best to serve all the farmers in the province.”

Now, Mr. Speaker, this report is from one of our head office staff, Mr. C.E. Smith, who was with the Corporation as District Superintendent at Tisdale before he undertook this work. This is a result of many, many public meetings — meetings with very many farmers of different parts of the province, and I want to say it surpasses my own expectation of the acceptance of this policy. During the past year, which has been a sort of experimental one, we ran into difficulties that were not immediately obvious before we started out, problems that had to be solved just as we went along; but we continued the policy of connecting up the farms along the existing power lines and we have gone to a further extent than ever before into area development, and it is when you come to extending power in areas that you really get your teeth into rural electrification. It is there that you meet the problems. It is there that the organization work is necessary, and it is there that the contacts with the farmers and the collection of their contributions and so forth is likely to cause a great deal of work. I think there is a general inclination to underestimate the amount of work involved in organizing a rural power district.

I said, a little while ago, or at least Mr. Smith said in his letter, that not all farmers were able to find the cash to make the total contribution of their share to the line; and with this in mind the Corporation has written to the Supervisor, Farm Improvement Loans, Department of Finance, Ottawa, asking that their regulations be changed in order that a farmer may borrow for the purposes of rural electrification extensions. There is some little technicality here that may stand in the way — something different from other farm improvements. The tap-off which runs into a farmer's home is the property of the Corporation, not of the farmer. There is nothing tangible which can be regarded as an asset, except the fact that the power line passes the farm, and the increase which it can be expected to make and which it does make in the desirability of the farm and its sale price. Last year, we set as our objective 1200 farms. Now, it's a fine thing if you can live up to your objective and we came very near to it. I believe 1146 was the number of farms that were connected, last year — the number of farms that were actually connected.

There is a great temptation, when you are estimating the number of farms that you have been able to reach in a year, to say — ‘well, this one will be connected next week and this one will be connected next month — the work is all done. This fellow is connected, but he has not been billed’, and so on. But we have decided that no matter where you cut off — if you decide to cut off at the same place each year — you are going to have a true picture of what you have done in the way of farm connections;

so that 1146 as at December 31 last was the number of farms that have actually been served in the period since January 1, 1949; and we would have reached our 1200 objective had it not been for two things. One of them was that there were several stoppages as a result of the shortage of the type of wire, the steel conductor wire, that is used for farm lines. People are inclined to think that the time of shortages is past, but actually, if you require anything in the line of power equipment, or telephone equipment either, for that matter, you have got to know that you are going to need it and have your orders placed months ahead, or you are almost certain to be short and have to wait for your supply. So we did have some loss of time owing to a shortage in this particular type of conductor wire. Again, you will recall the very severe weather in the latter part of December when the work was discontinued owing to the weather conditions, so that it would be some time following the first of January before we completed our 1200.

Now, in proceeding with this programme, I think the House will remember when I spoke, last year, that I stated there had been something over 4,000 applications for farm extensions received in the head office. I learned afterwards that that was an understatement, that there were in excess of 6,000 applications for farm lines in the head office. I do not know just how long those applications had been there, but I believe the great majority of them had just piled in when it became known that the Power Corporation intended to proceed with an energetic programme of farm electrification. A tremendous amount of work was involved in sorting out those applications, and examining them to determine the ones which it was proper to do by priority. At first we thought we might be able to use a fairly elaborate scheme — determine how many livestock a farmer had on his farm, and what type of farming he carried on, in order to see just how much power he might use; but that was going to be so cumbersome the Board decided that, for last year at least, possibly we would carry on and decide on giving priority to those areas where two farmers could be served on one mile of road allowance line. So that we began our season on that basis. We did not complete it because it became necessary to pass up too many worthwhile projects just because they were slightly over the .5 mile road allowance allowed to the farmers. Somewhere during the season we increased that to .7 miles of road allowance mile to the farmer, and we continued with that during the year. I see no likelihood that we will have to depart from that in the season that is coming. I might say that I am surprised to find how many areas there are where you can find farms of that density in this province and the average length of road allowance mile per farm in our programme last year, figured out at .468 miles per farm on the 1,200 farms. That is a little misleading unless we remember that those farms were not all in areas, but some of them were tap-ins, some had transmission lines on the road allowance and there would be no road allowance miles at all, there would simply be the tap-in from the transmission line, so that figure is not very illuminating insofar as the area development is concerned, and we succeeded at least in keeping our mileage down to a very low level. Of course, we chose this system because it seems that when you can't be fair to everyone, when you have to choose an average system by which you get priority, that the best system is that which enables you to serve the greatest number of farms with the materials at hand. That is the reason, not because those farmers, individually, had any greater right to the power than the others did, but because we could serve more of them with the same labour and the same materials.

You will remember that the last part of The Rural Electrification Act provides for the setting up of rural power co-operatives, and

March 17, 1950

in an area east of Prince Albert one of those was established. It was my good fortune to attend the dinner which was given up there on the occasion of their official opening of this project, and I can assure the House that there were a very happy bunch of farmers there. For the first time in their lives they were able to turn the switch and have their houses brilliantly lit, and they were in a position to secure those appliances which make so much difference to the comfort and convenience of a home. I enjoyed that meeting very thoroughly, and I had a good deal of opportunity to discuss with the various individuals just what they thought of the scheme. Going into the co-operative section of the Act, where the farmers pay the entire cost of the construction of the system, there was slightly more than .7 miles of line to the farm up there, which was the main reason that the co-operative section was incorporated in the Act, so that we would not have to say to a group of farmers who were able to pay the total cost of their distribution system, 'Well, you'll just have to wait until the time comes that those with a lower road allowance are served'. But those men were able to put up the money or to get the money to put up, to pay the entire cost of the distribution system. Then the corporation meters, or sells the power to them in bulk. They do their own billing, at least they are not doing their own billing just now, but they are paying to have it done. That is their responsibility. This particular area is shut in between the North and South Saskatchewan rivers. It was an ideal area in which to try out the co-operative setup.

Now, there are difficulties. I can foresee difficulties, the management of the corporation can foresee difficulties, about the widespread use of the co-operative section of the Act. I would not like, at this time, to make any definite statement with respect to it, but I think that I might give you some idea of what those difficulties are. In this particular co-operative there was no complicating factor. As I said, they were a combined area between the two rivers. There was no transmission line passing through that area. Consequently it was possible to form those farms into one system and meter their power through one meter. The very next area that was giving consideration to a farm power co-operative had, right through the area, a power line that went like the letter 'Z' and a great number of those farmers were able to run a tap-in to the existing transmission line. Now it is obvious that it would be very difficult to devise a plan which would put those people on an even basis insofar as a power line parallel to the existing transmission line, because they had to pay for the cost of the transmission line. It would very difficult to serve them from the existing transmission line and sell them power in bulk. They would be served through a large number of separate meters. Now that difficulty is not resolved. I don't know where it is going from here. That is all I know about it; but I mention it at this time just to show that there are complications in the development of rural power districts.

I have here a publication, 'Submission of the Co-operative Union of Saskatchewan to the Government of Saskatchewan, Regina, June 28, 1949: The Place and Functions of Co-operative and Government Enterprise in a Democratic Economy'. I would like to quote what it says in this article about power:

"On the basis of experience (speaking of power) this would seem to be a field best developed by the State.

Like the development of telephone and highway services, etc., all citizens are interested in a comprehensive coverage being supplied. While Rural Electrification Administration services in the United States are technically Co-operatives, the capital, at least in origin, is mostly Government money. In the Province it would appear that Co-operative development and distribution of power should be secondary to direct Government enterprise.”

So that the whole question of just how far it will be politic to go in the service of the Saskatchewan farm through the power co-operatives is still a matter for our study.

Now, Mr. Speaker, it is amazing what a short time three-quarters of an hour can be when you have a certain amount of work that you want to cover in that time. I think I would like to take time, however, to tell the House just what has been done in the past and up to the present in the way of rural power development. In 1935, the Power Commission spent \$65,000.00 on power line extension. I do not suppose it was their fault; I am not blaming them for it; I am giving you facts. In 1936 they spent \$47,350; in 1937 — \$99,354; in 1938 — \$103,596; in 1939 — \$70,300; in 1940 — \$207,400; in 1941 — \$88,900; in 1942 — \$160,200; in 1943 — \$163,900; in 1944 — \$320,000; in 1945 — \$1,898,000; in 1946 — \$1,355,000; in 1947 \$7,508,500 (that, of course, was when we purchased some of the private companies); in 1948 — \$2,800,000; in 1949 — \$4,100,000 and this year, we are asking the Assembly to approve a budget of \$5,000,000. I think, that there is little reason for anyone to say that we are not serious about the matter of providing rural electrification.

This perpetual comparison which the province of Manitoba, Mr. Speaker, is one of the things that apparently is confined to political circles. In the rural areas, along the Manitoba boundaries, our field men have found there is some comparison made; but anywhere else, I find general acceptance of the fact that we cannot compete with Manitoba insofar as the service to the number of farms that we can serve is concerned. We are spending, or proposing to spend, \$5,000,000 on farm electrification, this year, throughout the province, and we are proposing to electrify 2,400 farms. Now, Mr. Speaker, if our responsibility was just the responsibility that the Manitoba Power Commission has, we would have no difficulty in serving 5,000 farms with that \$5,000,000, and would probably have enough money left over to take care of all the work that would be necessary on the maintenance of lines and so forth, and extensions to additional customers to spend \$1,500,000 on steam and diesel plants. We are going to spend \$700,000 on transmission lines and distribution systems in towns and villages, and we are going to spend nearly a million dollars on 248 miles of high tension line for system improvement, and other expenses as well. But those are things that the Manitoba Power Commission doesn't have to think about, and they have to come out of that \$5,000,000.

In the city of Saskatoon we have on order a 25,000 kilowatt turbo-generator, for delivery in 1951. I was a little amused to see in the 'Star-Phoenix' not very long ago that the City Council had decided to order this turbo-generator. I am sure that the City Fathers would be very much surprised if they got the bill for it, which will be in excess of \$800,000.

March 17, 1950

In the Saskatoon plant, again, we are installing a 180,000 lb. per hour boiler. The building which will house that boiler is under construction now, and I expect the boiler will be installed this summer. In Prince Albert we are installing a 140,000 lb. per hour boiler. All those things, Mr. Speaker, are things that take money, things that have to be done if we are going to keep up this good service to the people of Saskatchewan. I was surprised — indeed I was surprised — to see this report of a speech by my hon. friend, the member from Souris-Estevan (Mr. McCormack). He made this speech at a meeting of the Regina Liberal Women's Club, and speaking of power, he said:

“Speaking of conditions in his own riding, Mr. McCormack referred to the coal mines in the Estevan-Bienfait area. The Liberal Government in 1944 had recommended that a study be undertaken to determine the relative merits of developing electric power from the coal-fields of south-eastern Saskatchewan. To date the production of power in this province has been ‘practically confined to steam plants’. He pointed out that in the Estevan-Bienfait area there are large deposits of lignite coal which are potential reservoirs of power development.”

Now, I have no fault with anything up to there.

“Here is the basis for rural electrification in the province, and if the Government had directed funds into this development it would not have to come in now and apologize for lack of progress in rural electrification.”

Now, Mr. Speaker, I like to be peaceful individual, but if being peaceful gives the impression that I am apologizing I will have to change my tactics. I have been very proud of the record of this Government in the question of rural electrification. I want to say a little about this plant, since the Government has put its money into that plant. Actually, when this plant was purchased from the Dominion Electric it had a capacity of 2,200 kilowatts. Inside of three years the Power Corporation had trebled that capacity to 7,200 kilowatts, and by this time next year, we will have again trebled that capacity to 22,200 kilowatts, and we will have, by that time, expended \$1,700,000 down in my hon. friend's constituency on that particular plant. I think that is a record that shows we did not have to wait to be told what the potentialities were for power development in the Estevan-Bienfait field. Well, he was talking to women, — I was amused — but I thought the hon. gentleman must have found out about his constituency between making this speech and the speech he made yesterday. I think he invited us to go down to see this plant.

Now, Mr. Speaker, regarding the other point that he brings up about the lignite fields in southern Saskatchewan being the ‘potential reservoir of power’ for the province, — of course, that is a perfectly legitimate thing for a man to say who is a lay individual. I would not have known any better myself except that, during the last few months, I have found out a few things about it. He has not had the same opportunities that I have had, perhaps, and consequently I have no quarrel with him on that, but, as a matter of fact, there is a very definite limit to the distances from which you can transmit power economically, and it would not be

possible to serve the whole province from the lignite coal deposits in southern Saskatchewan. It might be possible, but it would be very expensive. The longer the transmission line is, the greater the line losses are. The longer the transmission line is, the greater the incidence of power interruptions through the damage done by electric storms and so forth, and there is a limit that engineers will advise in the length that transmission lines should be. Of course, the Estevan-Bienfait area is not the only area where there are lignite coal deposits, and the Power Corporation is at the present time carrying on some investigations in the Shaunavon area where there are also lignite coal deposits. There is a distinct possibility — they are hopeful it may be possible there to set up another steam plant which would aid considerably in providing cheaper generation in the south-western part of the province where generation at the present time is particularly high.

Now, Mr. Speaker, there is a great deal that I would like to say about power, but I have got just five minutes left, and if I don't finish in five minutes, I am told I am going to get into trouble, but I do feel that I would like to say just a word or two about Telephones. Perhaps I will get into trouble for giving five minutes to Telephones and thirty or forty minutes to Power, as it is. But, there are a good many people who write in to the Telephone Corporation, both to my office and to the head office. I think our new member over there said yesterday that everyone should have a telephone as a matter of right. Now, I have no quarrel with this statement, but it shows that it is time someone said something publicly about telephones.

As a matter of fact, the telephone situation in this province was very seriously inadequate a couple of years ago, and the reasons were exactly the same as the reasons for a great many other things. There had been no construction work done; there were no materials available until, in fact, the beginning of 1948, with which to carry on anything like adequate extension; and, again, the public had become telephone-conscious in a spectacular fashion. As late as 1944, there were only 3,600,000 long distance telephone calls originating in Saskatchewan. Last year, we passed the five million-mark for the first time. We have been installing telephones at the rate of 450 per month for a long time — possibly not 450 every month, but we have been coming up pretty well and we are increasing the number of telephones that we are installing each month. In August of 1949, we installed 429; in September — 375; in October — 697; in November — 1,086; in December — 882; and we have still made just a small dint in the number of held orders, that is, the number on our waiting list for telephones, and we can not catch up. We will eventually, but we cannot do it just overnight.

To a great many people the telephone is just two wires that come into their house and they have got an instrument in there. That is all they are conscious of; but a gentleman who surely ought to know, because he is very prominent in our telephone circles, told me that there is a capital investment of between \$300 and \$400 behind every telephone. Now that means an expenditure of a lot of money, and the amount of money that is being spent on telephones has been tremendously increased, in recent years. In 1936, it would be the same picture. I could go all the way through — very little spent from 1936 all the way on, until in 1946, there was over a million; 1947 — over a million; 1948 — \$1,300,000; 1949 — \$2,500,000; and we are asking this Assembly to pass, this Session, our budget of \$4,160,000.00.

March 17, 1950

Now I do not think that anyone can point at the Saskatchewan Government Telephones and say that they are not trying at least to meet the needs of the province. We have had a great deal of ground to make up and, in the last two years, Mr. Speaker, we have added to the system 13,536 miles of long distance circuits. I think that would go twice from Coast to Coast in track.

Now, Mr. Speaker, I do not want it to be said that I ever trespassed on another man's time. Public Works is a department of the Government that is accustomed to being overlooked. It is the service department that comes in at the bottom; but we have had a very extensive programme in the Department of Public Works for the last four years. Capital expenditures have been very limited for a long time, for the same reasons that other capital expenditures have been limited, and we have been trying to make up ground. I have visited a good many public buildings throughout the province and, in speaking to the caretakers, almost every one of them would say 'there hasn't been paint or any redecoration in this building for twenty years'. That would be 1929, and they must have spent a great deal of money that year. But we are doing our best to catch up and I hope, that, before very long, you will be able to notice a very definite change in the condition of our public buildings.

Mr. Speaker, more from necessity than from desire I must conclude. I will support the motion.

Mr. J. Benson (Last Mountain): — Mr. Speaker, I think perhaps the Minister of Public Works should have continued, because just as soon as the children in the galleries saw me rise, they all walked out.

Just before getting on my feet my seatmate asked me if I had kissed the Blarney Stone today. Perhaps he thought if I had it might mellow my tongue, and I told him that I would much rather kiss the beautiful young lady who put the shamrock on my desk.

Mr. Speaker, I first of all want to congratulate the Minister who has just taken his seat. To my mind he has given one of the best addresses, dealing with his Department, that has been delivered from this side of the House. Your opening remarks, Sir, this afternoon, I thought were very appropriate, and some of the things that I have to say will properly fit in with those remarks. Today, I am going to speak about myself, my constituency, and my province. I would like to point out that I now have the honour of having served the longest of any member in this Legislature. I want particularly to thank the people of my constituency, who, over so many years, have shown enough confidence in me that they have almost continuously, since 1929, sent me as their representative to this House. During the last C.C.F. nomination convention where I was nominated, I accepted that nomination on two conditions: the first, that I was to maintain my independence, and the second that I was not to be expected to be a rubber stamp for anybody; and under those conditions I received a unanimous nomination. On July last I tendered my resignation as a member of the C.C.F. to my committee, and I want you to note that date, — July last. The reasons I want you to note it is because some of my pseudo friends have stated that I resigned because the present Minister of Health was appointed to this Cabinet. My resignation was handed to my committee long before he even became an employee of this Government, and long before his nominating convention was held.

I want to tell you first of all, before I give you the reasons why I tendered my resignation to my committee, that my committee in Last

Mountain have so far refused to accept that resignation; but they still have it in their hands to accept at any time when they feel that I am not conducting myself according to their desires.

The reasons I tendered my resignation are not because I blame anybody other than myself. If I have failed to perform my duties as I think they should have been performed in this Legislature and in this province; and if I have failed to persuade this Government to conduct the affairs of this province as I think they should have been conducted, then I blame no one but myself.

The first reason is that my relationship with the Government has not been on a proper basis. I would like to point out to you that, when I first became a member of this Legislature in 1929 I sat on this side of the House as an independent supporter of a Tory government, and during my tenure of office under the Tory government, I was at all times treated as the true representative of the constituency of Last Mountain. No important matter was decided unless I was advised or consulted; nothing was done in regard to my constituency unless I had full information in regard to it.

The second reason: no possible chance of harmony unless I was prepared to be a 'rubber stamp'. I want to say first, before I go on from there, that my relationship with the Attorney General of this province has been on a basis 100 per cent satisfactory to myself. On every decision that has been made in regard to his Department that concerned my constituency I was consulted, or I was advised immediately after he had had to make some snap decision. He took my recommendations without question, and I want to say to the Attorney General, although he is not in the House, that I thank him from the bottom of my heart for that courtesy.

The third: this Government imported so-called expert advisers that took the place of the members of the Legislature. I have mentioned that fact in this House on previous occasions. When the various Crown Corporations were set up in this province during the first two or three years, the private members were not even advised of the intentions of the Government to set them up.

The fourth: because of fundamental differences in the interpretation of C.C.F. policy and administration. The fifth: because of unfair treatment of the constituency of Last Mountain by this Government. And then, sixth: I have been repeatedly told by members of the C.C.F. that I was a millstone about the neck of the C.C.F. Party. Now, I have no desire whatever to be a millstone about the neck of any party, and as I believe in progress, and as I am unable to understand some of the types of C.C.F. progress, I thought I should get out.

Some of my friends tell me that I have two standards. Mr. Speaker, I admit quite freely that I have two standards. I worked for years in this province to turn the Liberal Government out of office in Saskatchewan. I sat in this Legislature, the first time I came into it, on the other side of the House, and voted against the Gardiner Government to put them out of office. When I started to work for the organization of the C.C.F. I believed

March 17, 1950

that we were building a higher type of political party than was the Liberal Party. I do not see any reason whatever to support or to build up a new political party in Saskatchewan, if it has not a higher type of public morality than the one we were kicking out of office. And I want to say to you, as I have said to my committee whether they accept my resignation or not, that I will not be a candidate for a C.C.F. nomination at any future C.C.F. convention. I think it is only fair to say that now, so that the Government, and so that the C.C.F. organization in the constituency of Last Mountain, will have ample time to prepare for the next election. And I want to say further, that if I ever run again in the province of Saskatchewan for this Legislature, I will run as a true Independent.

I have repeatedly been asked if I was going to cross the floor and join the Liberal party. My answer is, I am an Independent. Political parties, whether they are C.C.F. or Liberal, don't like independents in their ranks, and I want to say to you, Sir, that it makes no difference to me whether I sit alongside the Premier or the Leader of the Opposition. That fact would not change my opinion in any way at all.

Now, I come to the last Dominion election. As I listened to the results coming in over the radio, I heard some comments from prominent C.C.F. supporters. One, the hon. member for Regina, the Minister of Labour, he said this, or something to this effect: "We have offended too many of our key workers — we have got to pull up our socks"; and I think the Minister was right. I listened also to Mr. Ross Thatcher, the Federal Member from Moose Jaw, and he said: "We will have to do a little soul searching". I have done a little soul searching, Mr. Speaker, and I am not very pleased with the results of the search — I mean so far as I am concerned myself. So I decided to do something about it, and I think the Government too, at this time, would be wise to do a little serious soul searching, and take the advice to their Minister of Labour and Mr. Ross Thatcher of Moose Jaw.

This Legislature is our citadel of democracy. This is the place where free men come to express their true opinions and to vote according to their conscience. This is not a place to abuse brave men who offered their lives that we might live here in peace and happiness. And on this occasion I am referring to the member for Moosomin. I was grieved the other day to hear the attack that was made on that gentleman. I think it was uncalled for; and I want to say to him that I hope that no words of criticism ever pass my lips so far as he is concerned. Any man who is willing to give his life for this country as he was, I think we should be proud to have him in this Legislature, and he should not be the target of abuse. And I want to say to him that if the time should ever come when his opinions and mine, on politics, come closer together, and if we should ever be fortunate enough to sit on the same side of the House, I would be honoured and proud that he would allow me to be his deskmate.

I believe in the true principles of democracy which are personal worth and the dignity and the integrity of man, freedom, equality, public morality, rule of law, individual opportunity, individual responsibility, and truth, the greatest force of all.

All governments and all private institutions must be designed

to protect and defend the integrity and dignity of the individual. And every man should be free to follow the dictates of his own conscience, and to pursue in his own way truth and happiness.

I want to ask a few questions of the members of this Legislature. The first is: "Do you believe in freedom of speech and action?" And I think that everyone will answer, "Yes". The next question I want to ask is: "Do you believe that when you are elected as a member of this Legislature you are expected to express your true opinion in this House and vote accordingly?" And I think again every member of this Legislature will answer, "Yes". My next question then, is this: "Do you then believe that the party caucus should restrict you in any way from expressing your true opinion and vote in this House?" And that is a question I will leave each member to answer for himself.

The other day, while one of the committees was in progress, I heard the Provincial Treasurer complain about the Queen Anne rules that were in existence in regard to the conduct of political affairs. But I thought when I came into the House, this Session, and saw that team of oxen, that emblem sitting on the pillar there, that that was surely a true emblem of the state of our political institutions in this province. We demand progress in our economic institutions: why don't we demand progress in our political institutions? I want to read a few extracts just to back up my argument here. The first one is, and I am reading these and I have chosen them because I want to convince both the members of the Opposition and members on this side of the House, from Mr. Mackenzie King. He was speaking about a new world order.

"A new world order to be worthy of the name is something born not made. It is something that lives and breathes. Something that needs to be developed in the minds and hearts of men. Something that touches the human soul. It expresses itself in good will, in mutual aid. It is the application in all the human relations of the principles of helpfulness and service. It is based not on fear, greed, hate, but on mutual trust in the noblest qualities of the human heart and mind. It seeks neither to divide nor destroy. Its aim is brotherhood. Its method is co-operation."

Now, I want to read one from an article that was written by the Hon. Mr. Power, and I am sure every Liberal in the House has read these, but I want to draw them to their attention again. Mr. Power, in the Liberal Party at Ottawa, is one of those gentlemen who felt very much about the political institutions in Ottawa, as I feel about them in this province. Mr. Power said:

"Let us restore at once and then go on to enlarge the civil liberties of the Canadian people. Let us have an immediate return to parliamentary government in the fullest meaning of the term. This involves the responsibility of the Cabinet

March 17, 1950

to the House, and it means the reform of parliamentary procedure to make democracy work. It means restoring the dignity of the individual elected representative of the people by giving back to him the job he was chosen to do. The power of parliament needs urgently to be reasserted.

One more for the Liberal side of the House, from Sir Wilfred Laurier:

“Party government, as we know, can be the highest conception of public duty; but partyism, as we know it, is nothing more than a mere scramble for office.”

Now I have a couple for my friends on this side of the House. From Mr. Ramsay Macdonald. Some of them perhaps do not think so much of Mr. Macdonald as they used to. Mr. Macdonald who was Prime Minister of Great Britain for several years wrote a book called, (I think it was) “Democracy in England”. I read it a few years ago, and I took these quotations from it. He said:

“A private member has become a mere follower and supporter of the government, with little initiative, little independence, and little power.”

He also said in the same book:

“There is perhaps no greater scandal in the whole procedure of the House of Commons than the use of whips. Party followers, irrespective of their own convictions, are thus practically compelled to vote as the Cabinet, or indeed often as the Ministers, have decided for them. It is really a comparatively recent growth and has arisen because parliament has become more completely an instrument in the hands of the government, and the following that is in the lobby, the arena of a never-ending partisan conflict.”

Surely, we have experienced that in this House this Session.

“The most trivial and unessential details of a Bill are thus regarded as matters of confidence in the government, and the free criticism of the House, and the responsible action of its members, are being suppressed by the party machine. This has been carried to such an extent that members are not seeking to act as responsible representatives and are losing the capacity so to act.”

I have one here from Mr. Harold Lasky, professor of the London School of Economics. I took this, I think, from the book "Parliamentary Procedure" written by himself. He said:

"Parliament is not a collection of experts. If it were it would be even more unsuccessful in its performance than it is. The private member is for the most part being reduced to the status of a voting machine. He has lost all direct initiative, especially in the realms of finance."

What would be a tremendous step forward in regard to parliamentary procedure would be for each government that comes into power to announce a change in the rules so that no amendment, no Bill, should ever be considered as a want of confidence motion; that no motion of any description should ever be considered as want of confidence unless it was definitely stated in the terms of a want of confidence motion. When the Anderson Government came into power in this province, it did not have a clear majority of Conservative members; and one of the first things that Dr. Anderson (then the Premier) announced was that no question or government measure should ever be considered by his Government as a want of confidence motion. And that is the way we carried on. The members were free. I remember one time even one of the Conservative members voted against the Government on the budget, and he did not have to cross the floor of the House. I remember that, on many occasions, I voted against that Government, and, of course, I was ridiculed by the members who sat on the other side of the House because, as I stated before, party members do not like to see any independents in the ranks of either their own party, or in the party of the opposition. So the Hon. Thomas Davis suggested that there should be a trapeze hung in this House so that I could swing from one side to the other. And I am going to demonstrate to this House that I don't change my convictions on matters, just because I happen to be on that side of the House or that I happen to be here.

This question of want of confidence gets members into a pretty awkward predicament on occasions, and some members on this side of the House, including the Minister of Natural Resources, are going to be in an awkward predicament when they come to vote on some Bills that are already before this House. And why should he be, or why should any private member be? I want to quote from an address of the Attorney General delivered over the radio February 6th and February 10th, just to show you what I am getting at. He is quoting the amendment that was introduced by the C.C.F. at Ottawa, and he said:

"The amendment was, — 'we regret that His Excellency's advisers have failed to prepare legislation to remove the means test from the old age pension.'

Now I am quoting the Attorney General on that amendment:

"Every Liberal candidate in Saskatchewan, when talking to old age pensioners before the

March 17, 1950

election, spoke against the means test, and promised to work to have it abolished when put to the test. But when put to the test — not the means test but the honesty test — . . .”

(I've got a supporter, I think, in the Attorney General)

“they went back on their election promises. Not one of them spoke up in favour of what he had advocated to get elected. And when the vote was taken, every one of them voted against the old people of Saskatchewan, and voted to retain the means test.”

Now, Mr. Speaker, I want to point out to you that that is the predicament members of the House of Commons and members of this Legislature get into, when the rule of the party whip is applied. And I am quite sure that those members who went to Ottawa, every one of them, would like to have got up and voted according to their convictions. I remember that, during the last Session, the present Leader of the Opposition (Mr. Tucker) was criticized, several times, because he had got up in the House of Commons and spoken against taxing co-operatives; but when the vote was taken they said he either wasn't there or he voted against it. This is what I was speaking about — that he was subject to the rule of his party, and he was voting with his party against his convictions. And we have had examples in this Legislature, when this Government had introduced Bills and told us that those Bills were want of confidence motions. The Provincial Treasurer himself has done that, and the Premier has done it; and I maintain that that is a procedure that should be abolished if we are going to have democracy in this House. The caucus should be a conference, a conference to discuss the problems of the party if they so wish, but it should not be an institution that in any way binds free men.

I was interested in building the C.C.F. in order to establish a real democratic people's party, and to establish necessary reforms in our economic and political institutions. I was not interested in the C.C.F. just for the sake of establishing another political party which, in my opinion, it has become, and it is no better or worse than the Liberal party. I am interested in true political democracy, and not in a political machine, no matter what you call it. I was kicked out of the C.C.F. in 1935, and I was in good company then, because the then member for Weyburn, in the Federal seat, was almost kicked out with me; but he had powerful friends who saved his neck.

Under the democratic principles of equality, rule of law, and public morality, the whole political process of elections, legislation and administration, should be conducted according to rules and principles freely established by the people, and according to elementary standards of decency. Under this head I want to review the by-elections of Cannington and Gull Lake. We have been repeatedly told in this House that, during the Cannington by-election, the C.C.F. promised that if the C.C.F. candidate was elected, \$800,000 would be spent on the highways in that constituency. I wonder if procedure of this kind conforms to the elementary standards of decency in regard to elections. And I want to refer to Gull Lake. I read a report in the

‘Leader-Post’, that was never denied, that the Premier, when Mr. Bentley was nominated, told the people that, if they elected Mr. Bentley, he would be made Minister of Health. Now, I don’t think, Mr. Speaker, that that conforms to elementary standards of decency in the conduct of elections. And I want to say to Mr. Bentley that I very sincerely congratulate him (I am sorry he is out) for having been appointed to this Cabinet. My experience with him as the Minister so far has been a very pleasant one, and I think that Mr. Bentley and I are going to get along very well. I want to wish him the utmost of success in that Department. But, I want to ask the Premier if, among these loyal supporters of his who had faithfully supported him whether right or wrong during the last five years, there were none capable of filling a Cabinet position? I think that is one respect in which the C.C.F. could pull up its socks. You cannot expect to have faithful supporters sitting by you through thick and thin, if, when the opportunity comes to promote one of them, you go to the outside and bring in someone else. And I know these fellows behind here have been very loyal this Session, but I am sure that when the Premier made that speech at Gull Lake he drove a dagger into each of their hearts which left a wound which will never be entirely healed.

Premier Douglas: — They are grown-up men.

Mr. Benson: — Yes, they have grown up perhaps; but that is my opinion. And I would further ask in regard to these by-elections: is it one of the principles or was one of the principles of democracy followed — that principle of equality — was it followed, when two by-elections were held at the same time, with one C.C.F. candidate running under the understanding that he would become a Minister, and the other fellow on the understanding that he would be a private member? I don’t see very much equality there.

Under the democratic principles of equality which demand elementary standards of decency in the administration of public affairs, I want to examine Government policy in respect to the construction of highways in this province, with particular reference to my own constituency — and I am very sorry the Minister of Highways is not in the House, this afternoon. Had I known that he was not going to be in the House, today, I would have tried to arrange to have spoken at some time when he was here, because I do not like to discuss a Minister’s Department when he is not present, and I want to try and persuade him that he should do something in the constituency of Last Mountain this coming year. The roads and highways in Last Mountain, No. 20, No. 14 and No. 6, are in a disgraceful condition. The people of Last Mountain say to me: ‘How was it that we kept electing you while we had a Liberal Government in power in this province, and we got no road work done, and now that we have a C.C.F. Government in this province that you cannot get very much road work for us either?’” And so I want to point out to you that the constituency of Last Mountain has not been fairly treated during this last five years in the matter of highways.

I want to give you some records, some figures. The Minister spoke yesterday, and he told us that he had spent most of his money in the ‘backwoods’ constituencies and that he has been taking care of a situation that had developed in those outlying constituencies. Since I have been attending this Session I have gone through all the Public Accounts, and I have compiled the figures on the highway expenditure in every constituency in the

March 17, 1950

province of Saskatchewan and I have the total. This particular sheet that I am going to read from, this afternoon, deals with only the expenditure on reconstruction, new construction, and surfacing. It deals with the years 1944-45, up to 1948-49. The figures for the summer of 1949 are not as yet available, and so I could not include them because I didn't have them. I am going to read these figures to the House. They are very interesting and I am sure that my hon. friends here who have not taken the trouble to look them up, are going to get a surprise this afternoon. I am giving only the round figures, covering the last four years, 1944 to 1949:

Arm River, \$51,000; Bengough, \$217,000; Biggar (this is a backwoods constituency, I presume), \$746,000; Cannington (that must be one of the central constituencies), \$60,000; Canora, \$327,000; Cumberland, \$624,000; Cutknife, \$402,000 — I believe a Minister lives there too; Elrose, \$384,000; Gravelbourg, \$142,000; Gull Lake, \$528,000; Hanley, \$215,000; Humboldt, \$318,000; Kelvington, \$291,000; Kerrobert-Kindersley, \$684,000.

You know I always thought my deskmate was a good Socialist. I am going to give you Last Mountain now, \$214,000. Now, if he had been a good Socialist, he would have said to the Minister of Highways, "you spend another \$200,000 in Jake Benson's seat and \$200,000 less in mine".

Kinistino, nothing; Lumsden, \$946,000. Now, I want to say about the constituency of Lumsden, the same as the constituencies that are immediately around Saskatoon or Moose Jaw, — that we all enjoy the roads coming into Regina that are built in Lumsden, and it is quite natural that there should be more expenditure in a constituency like Lumsden. But the remarkable part of this was that, in 1947, No. 6 was built right up to the very boundary of my constituency and then stopped! Right to the boundary, and nothing was done in 1948. The Minister just started in 1949, and I am going to tell the whole story.

Maple Creek, \$478,000; Meadow Lake, \$309,000; Melfort, \$242,000; Melville, \$189,000; Milestone, \$1,089,000 — that must be a backwoods constituency; Moosomin, \$20,000; Morse, \$441,000; Notukeu-Willowbunch, \$235,000; Pelly, \$71,000; Prince Albert, \$495,000 — I guess there must be a Minister up there too.

Mr. F.H. Dundas: — What about Qu'Appelle-Wolseley?

Mr. Benson: — Qu'Appelle-Wolseley, \$172,000. You are going to be all right though as you are going to get the Trans-Canada highway; Redberry, \$256,000; Rosetown — another backwoods constituency, \$554,000; Saltcoats, \$294,000; Shellbrook . . .

Mr. Tucker: — What about Rosthern?

Mr. Benson: — Oh yes, I am sorry I left out Rosthern, that constituency got nothing. I imagine that in Rosthern though, when the Liberals were in, they built up all the roads so good that there was no need for any new construction. Shellbrook, \$336,000; Souris-Estevan, \$998,000; and then the member for Estevan gets up here, yesterday, and complains about the roads

in his constituency! If I have \$900,000 spent in my constituency during the next four years, I will be well satisfied. You know it cost a lot to elect that member for Souris-Estevan; he is pretty nearly another 'million dollar baby'. Swift Current, \$384,000; The Battlefords, \$341,000; Tisdale, \$436,000 — there must be a Minister there; Torch River, \$379,000; Touchwood — your constituency, Mr. Speaker, — \$74,000. I guess you must be in the heart of the province. Turtleford, \$416,000; Wadena, \$368,000; Watrous, nothing, and we have a Minister there and he will sure have to look after that in the future; Weyburn, \$787,000, I wonder if there is a Minister represents that seat; Wilkie, \$139,000; Yorkton, \$237,000.

Now, it appears to me when you look at the highway map of this province, that someone has decided on a policy of building highways from city to city, or a tourist highway system. We find that the black-top is built from Saskatoon west out to Perdue, southwest down nearly as far as Rosetown. This is last year's map, and we find, when looking at the bottom section of it, blacktop starts at North Portal and runs up north of Regina, then to Moose Jaw, and then goes on to Swift Current and a little west on No. 1.

I want to say, Mr. Speaker, that in my opinion the first consideration in building highways should be to the people who pay the taxes. I don't think that the tourists should have first consideration in a province such as Saskatchewan. Perhaps when this highway was built from Regina down to North Portal, the Minister of Highways had in mind getting those American soldiers out of this country that the Minister of Agriculture kicked so much about. I want to say, too, that never since this Government has been in power have we ever been told, before we voted the money for the highways, where one nickel of that money was going to be spent, and I think this Legislature is the proper body to decide the route of the main highways in this province, I don't think it should be the privilege of just the Government side of the House in deciding that. Every member in this House is interested, and he should have something to say about it.

When we look again at the map of Saskatchewan, and if we take an unbiased view of the situation and want to build a north and south main road through this province that would serve most of the people, and could also be used to work in with a tourist highway system, then we would have to decide on No. 6. It runs straight north from Regina to Melfort, and then as a tourist road from Melfort, it could branch off to Prince Albert and go right up to Lac La Ronge; and on this other side of Melfort, it could branch off to Tisdale and go right on up to Flin Flon. You couldn't have a better tourist highway system or a main highway in the Province of Saskatchewan than that. And I am telling these two Ministers who sit right here just beside me to boost for that particular highway as a north and south highway. (They will regret it if they don't; and probably I will be in their constituencies doing something about it, if they don't.) I repeat that this is an agricultural province. The people of this province put up the money for these highways, and the first consideration should be to take care of the needs of the people of Saskatchewan.

I want to come now to our Saskatchewan economy. I am going to be a little longer than I expected to be and I will hurry through this.

March 17, 1950

Saskatchewan is an agricultural economy. We have three kinds of enterprise in Saskatchewan: private enterprise, co-operative enterprise, and public enterprise. Perhaps I should have said "ownership" instead of "enterprise". Saskatchewan is a private enterprise province. The farmer is the best example of private enterprise that can be found anywhere. Being a farmer myself I claim that I am a 100 per cent free private enterpriser. I want to tell you, too, that I think farming is the best occupation that exists anywhere, and I think there will be a lot of people in Saskatchewan within the next five years who will be glad to be out on the farms again. Farming as an occupation develops individualism and a deep sense of love of freedom. The small business man is in much the same position. Then we have co-operative ownership. I haven't heard anyone yet who was opposed to co-operative ownership. Everyone seems to agree that that's a natural economic development, and I believe that a co-operative political development should go alongside of that co-operative economic development. Then we have public ownership. Public ownership should take care of those industries and services which can be or should be a monopoly. Any service or industry operated by a government should be operated on a non-profit basis. By that I mean, that any surplus should go back into the industry to provide extended services or to reduce costs.

Now I want to say something about our Crown Corporations in this province. I said previously, when discussing some of the reasons why I did not seem to fit in with this Government, that we as private members were not consulted when these Crown Corporations were set up. The Crown Corporations, that is the small Crown Corporations in Saskatchewan, to my mind are nothing more or less than state capitalistic institutions. The C.C.F. told the people of this province that we believed in production for use rather than for profit. But in each one of these Crown Corporations we have tried to make them operate on a profit, and when they wouldn't operate on a profit something had to be done about them. Now, the Government's Provincial Treasurer announced that they had taken \$600,000 of profit from some of these institutions and put it into revenue account. When the Government took \$600,000 out of any of these Crown Corporations, then the C.C.F. Government became the same as any other exploiter of labour. That \$600,000 is only earned because labour was applied to those industries, and I can't understand, if we believe in non-profit institutions, why we should exploit the labour who worked in those institutions in order that we can pay \$600,000 into the revenues of this province.

I want to say to you that I am opposed, as I have said before in this House, to the Government going into these small industries. If I had my way I would immediately try and organize the ones we have left as co-operative institutions; try and organize the men who are working them today, and turn them over to them so that they could work them for their own benefits. If that could not be done then I would sell them as soon as possible. I don't believe any government, no matter whether it is C.C.F. or Liberal or any government, can operate these small competitive institutions and make them work. And I am convinced too, that any government that tries to go into these things on a large scale will eventually go down to defeat because of those institutions that it tried to operate and could not operate successfully.

Now, I want to say a few words on the budget. I want to congratulate the Provincial Treasurer. He, as always, made a splendid job of delivering the Budget Address.

I thought all the way through his remarks though, that he was just a little bit worried when he was delivering that budget address, and, of course, I got quite a shock when he finally announced the increase in the Education Tax and of course that, to my mind, accounted for the worried expression he seemed to have.

I want to congratulate the member for Gravelbourg, who was the chief Opposition critic, on the manner in which he presented his argument in opposition to the budget. He did a splendid job. I don't think I have ever heard an Opposition critic do a better job than did the member for Gravelbourg — and I have heard a lot of them since I have been here.

Now, the budget is the most important document that we have to consider, and it should be considered as an ordinary financial statement without any party bias whatever. I believe that we should adopt a positive rather than a negative, attitude in dealing with financial matters. First of all I think we should have, when dealing with the budget, a full and up-to-date report from each Minister. His estimates should then be discussed, increased or reduced as the members wish. I think that when we can get to that basis of handling the affairs of this Province we will have made real progress, and that is why I congratulate the Minister of Public Works, today, because he spent all his time telling us about the affairs of his Department. I think the rest of the Ministers could take that example to heart.

In 1947, 1948 and in 1949, I urged the Government to put on the brakes in regard to government spending, and I have said on several occasions that, in my opinion, the Government was travelling too fast. In 1948 I said, "the services now established cannot be maintained during even a slight depression". The Minister gave us proof of that statement here the other day, when he was forced to increase the Education Tax even though we are at the peak of revenues. And I will repeat once more that the time to curtail government spending is during periods of high revenue and during this time is the time to pay debts and build reserves, and to prepare for periods of low revenue.

You know I have had some experience here from 1929 to 1934 during the depths of the depression. I remember when we were attending the Session here during the winter of 1930. We received the 'Leader-Post' one morning. There was an announcement that 28 banks in the United States had closed; the next morning 12, and 16, and 18 and so on. And the province and the whole country, as you all know, faced a terrible situation. I don't want to see anything like that ever happen again. But I know, and every member in this House knows, and the Provincial Treasurer knows, when he said "in my opinion we have now passed the peak and from now on revenues will decline. I do not anticipate any sudden fall during the next six months but rather a steady gradual decline", and the Minister knows better than anyone else, that we should build up reserves and prepare for a depression and then hope that it never comes. Government financing, government conduct of business, should be carried on along the same principles and lines that a private member has to carry on his private business. We all suffered serious setbacks during the depression, and those of us who tried to be wise because of experience, conducted our affairs so that we could get out of debt and build reserves to take care of any condition which might come in the future. I think governments should do the same thing.

March 17, 1950

I believe that the Saskatchewan budgets should be definitely related to the agricultural revenue of this province. I want to give you some figures again; I think they will bear repeating:

1931, the revenue from agricultural production in Saskatchewan was \$70,000,000; 1944, \$555,000,000; 1949, \$554,000,000. Government revenue in those years was: in 1931, approximately \$12,000,000; 1944, \$34,000,000; 1949, \$55,000,000. The Dominion subsidy since that time has jumped from five million in 1942 to over sixteen million, in 1949. This increased subsidy is the only thing that we can be sure of if a depression should set in. Our revenues could easily go down again to twelve million dollars plus that sixteen or seventeen million dollars we get from the Dominion Government and this might well be all the revenue this province would have. But this year, in 1950, we have an estimated expenditure of fifty-five million dollars plus a capital expenditure of almost eighteen million dollars and then, if the same condition prevails that has prevailed through this last three or four years, we will have supplementary estimates of several million dollars, and it could be, that during this present year we could spend eighty million dollars in this province, or in other words, ten million dollars more than the total agricultural wealth produced in this province during several years of the depression in the 'thirties. I think we should take notice of that, and we should try and do something about it. This Government has had a great opportunity. No government ever came into power in Saskatchewan that had a finer opportunity, and I hope they will yet do something about it.

Now, I want to refer just briefly (and I am sorry to keep you so long) to the Lanigan Larger School Unit. I am sorry the Minister of Education is not in his seat. The Lanigan larger unit was established there a little over four years ago. When that unit was established the people of that district pleaded and pleaded that they might have a vote before the unit was set up. I myself asked the Minister about five times to give those people a vote, but he refused. And so that larger unit of Lanigan was set up under very difficult circumstances. The people were incensed because of the treatment they had received from the Minister of Education. It started out under tremendous difficulties, but I want to say to you that the Lanigan School Board that has been in charge there since the unit was set up — and that board is made up of Liberals, Conservatives and C.C.F. members — have worked in the interests of that district; they have made a wonderful success of it, and they have had the assistance of one of the finest school superintendents in the province of Saskatchewan, Mr. Lee. I have a list here of the accomplishments of that Lanigan unit. I would like to read them to you, but I do not think it is necessary to take the time. I say that under the circumstances under which that Lanigan Larger School Unit was started, that unit has made real progress and all the credit is due to the board and to the superintendent of that district. I want to pay tribute to them. Petitions are being circulated at the present time in some areas, asking that a vote be held there, and if the required number of names are signed to that petition, I hope that the Minister of Education will grant them their vote as early as possible.

Just before I sit down, I want to say that, in my opinion, Saskatchewan is a large co-operative. Saskatchewan is owned by the people, every citizen being on an equal basis.

The elected members of this Legislature are the representatives of the citizens of Saskatchewan, and I believe that, if we could forget our party politics when we get into this Legislature, and if we would try to build up a truly representative government, we would establish a co-operative government in this province. The Legislature then would be able to operate on a truly business basis. Ministers would be, in my opinion, elected by the members of the Legislature and they would then be responsible to the whole House. The Legislature is no place for narrow partisanship. This is only, really, a glorified rural or city council, and I believe that the city system would work well in this province. If you would take the city council of Regina, for example, they operate their own city-owned projects just the same as the province of Saskatchewan does. They operated nearly all the functions of government and they operate it in a businesslike manner. And I say again, while I know that any ideal like that is a long way off, that while we demand progress in our economic institutions, we should also demand progress in our political institutions.

Mr. Speaker, the Ministers of the Government will have yet to persuade me that I should vote for this budget; so I will leave it to them.

Mr. R.A. Walker (Hanley): — Mr. Speaker, tonight, in the time that is left to me, I want to make some remarks concerning the Budget that is before this House. This budget debate is an occasion when every member may take part and give his views on the financial affairs of this Province and the conduct of the various Government departments. It is also used by some members as the occasion for general remarks relating to their own personalities or relating to things which are not in any way connected with the financial affairs of Saskatchewan.

Just as an illustration of what I mean, we had, the day before yesterday I believe it was, an address from the hon. member for Redberry (Mr. Korchinski), and, among other things he suggested that one reason why he was not going to support the budget, this year, was because the snow removal equipment in the Redberry constituency was not being available to plow some side-road to some town in Redberry constituency, and he made statements which were entirely unwarranted which, if he had taken the trouble to find out the facts, he probably would not have made. He said that this mile of road off the provincial highway system was in a place where the snow-plow equipment could very easily plow that mile instead of the crew sitting around in the town drawing their salaries. Well, the fact of the matter is that he ought to know that the people who are employed by the snow-removal branch of the Department of Highways are paid by the hours they spend on their job; they don't get paid while they sit around town. He ought to know, too, that this present Provincial Government is spending something like half a million dollars a year on snow removal. In my opinion, it is more than the Province of Saskatchewan can afford to spend on snow removal, when you consider the amounts that are available for many more important services.

Mr. F.M. Dundas (Qu'Appelle-Wolseley): — Are all snow-removal employees paid by the hour?

Mr. Walker: — Yes, I contacted the engineer in charge of maintenance, this morning, and he assured me that all snow-removal employees are paid by the hour.

The hon. member for Redberry should remember that it is a terrific job to keep 4,000 miles — one half of our highways — clear of snow in the wintertime. There is another 4,000 miles of highway that it is impossible

March 17, 1950

to keep open, and he is asking that the Provincial Government send snow-plow equipment onto municipal and side roads when the provincial highway system is more than can be maintained on half a million dollars a year. He says that we are paying them their salary anyway — they might as well be working on the side roads. Well, the fact of the matter is that the salary of the employees of the snow removal department comprises some 35 per cent of the total cost of snow removal.

I enjoyed the address given by the member for Souris-Estevan (Mr. J.E. McCormack), yesterday. I must say that I enjoyed it partly because it contained some rather remarkable statements — much as I enjoy Bob Hope's programme. He suggested, for instance, that this Government was to be condemned because of some of the features of the Larger School Unit Act. I noticed he was very careful that he didn't commit himself as to whether he believes the larger school unit is a good thing or a bad thing. He says there are some bad things about it and some good things about it, and then he went on for five or ten minutes reciting the bad things, and I listened carefully but I didn't hear him recite any of the good things. I think that this is a matter of public interest: what are his views on the larger school unit? I don't suppose he will give an answer — I suppose that he will take the attitude that other spokesmen of the Liberal Party have always taken on these matters. They refuse to give their opinion whether it is a good thing or a bad thing. They refuse to take sides but they go around the country with niggling criticism about this and that and trying to gather up a little bit of protest support if they can get it.

Now why is it, Mr. Speaker, that in Saskatchewan, this Government is said to be negligent in its duty because it didn't put all these school units to a vote before they set them up? None of the other provinces put them to a vote. The member for Souris-Estevan will recall saying, "The unfortunate thing was there was not vote provided." Then a little later on in his speech he went on to speak of the provision in the Act for a vote at the end of five years. He contradicted himself completely. There is provision for a vote. Saskatchewan is the only province where there is provision for such a vote to be taken on the setting up of a larger school unit. In Saskatchewan we have adopted the idea that it is better to have the vote after the units have been in operation for a few years; certainly it is much better than having a vote before any experience is obtainable in the matter.

Now, I want to say something in this debate about Crown Corporations. They have been mentioned only once or twice in this debate, but, anyone who reads the newspaper between Sessions reads a great deal about Crown Corporations from the Leader of the Liberal Party. The Leader of the Liberal Party was quoted in the North Battleford 'Optimist' on January 19 as saying: "The C.C.F. Government has invested nearly seven million dollars, interest free, in Crown Corporations — it is becoming clearer every day that we will ultimately lose entirely a large part of this investment". I suppose, if he were listening, he would say "hear, hear!" Well, I propose to give him some facts about Crown Corporations. It may be true that the Liberal leader can go back to Rosthern and get away with statements like that, because there are people here who know the facts, and there are people here who are willing to bring those facts to the attention of the leader of the Liberal Party. I submit, Mr. Speaker, that if experience is any guide, the

only way that the people of Saskatchewan can lose this six or seven million dollars is if they were unfortunate enough to allow a Liberal Government to slip into power in Saskatchewan.

In connection with our Crown Corporations — and this is the only debate in which we have an opportunity to review their progress — I believe we should consider them, first of all from the point of view as to service enterprises, the enterprises which are designed to provide a service to the people of Saskatchewan. The first one of those is the Airways — Saskatchewan Government Airways. I noticed in the address that the member from Melfort made here, the other day, he referred to about four or five Crown Corporations, the ones which he said were losing money, and he made no mention of the others. That is the Liberal strategy of deceiving the public. In connection with Airways — I don't think there is any member of this House, Mr. Speaker, who believes that the Government Airways ought to be operated with the point of view of making a maximum profit for the taxpayers of Saskatchewan. It is not being operated on that basis. It is being operated as one of the keystones to developing our northland. Some seventeen aircraft are operating there, and they give service on four regular routes. You know it is a little difficult for the Saskatchewan Government to operate an airways system and be able to show a good report at the end of the year, because the Saskatchewan Government doesn't get very much co-operation from the Federal Government in matters of this kind. It is customary for other Airways services to get special concessions. It would not have been out of the way at all if the Federal Government had permitted the Saskatchewan Airways to do some of the aerial survey work that is now going on in northern Saskatchewan. Yet, the Airways has operated with a net loss of only \$2,770. It might be worthwhile to remind the House that Trans-Canada Airways, a Crown corporation of the Dominion Government, operated, last year, with a net loss of over \$600,000.

Another of our Crown Corporations that may be classed as a service corporation is the Fish Marketing Service, one of the first to be set up by the C.C.F. Government. I have in my hand a copy of a press release that the Liberal Leader gave on August 2, 1949, taken from the 'Leader-Post'. It says:

“Walter Tucker, Saskatchewan Liberal leader, said Tuesday, that he had received a copy of the petition from 147 trappers and fishermen of the Lac la Ronge area requesting the removal of compulsory marketing of fish and furs through Socialist Boards. The petition objected to the compulsory marketing of muskrat and beaver through the Saskatchewan Fur Marketing Service and the manner of payment for the same. It also declared that while the people of the area were prepared to fish for a living they would not fish and hand over their catch to the Saskatchewan Fish Marketing service. In commenting on the question, Mr. Tucker said that the C.C.F. Government should meet this request immediately.”

March 17, 1950

Now that was the position he took on August 2nd. Just recently I understand he takes a different position. He takes the position now that these Fish marketing and Fur marketing services are a good thing. "Why," he says, "that is what I advocated all along". Well, we have seen instances of somersaults, political somersaults, in the past, and I suggest that this is just another one of those political somersaults. He says this is what he advocated all along. Well, Mr. Speaker, what about it? The Saskatchewan Fish marketing services in those areas where it is voted in by the fishermen, is compulsory so it has still the objectionable feature that the Leader of the Opposition mentioned on August 2nd. He says another reason why he is in favour of the new Fish Marketing Service is because it is not operated for the purpose of making a profit. Well, the fact of the matter is, that the old Fish Board actually accumulated quite large losses, yet the new Fish Marketing Service made a small profit, and the Leader of the Opposition says the reason he is in favour of the Fish Marketing Service is because the former was out to make a profit and the Fish Marketing Service is not. I find that sort of thing difficult to understand, but of course I haven't had any experience in Liberal Party councils, and I don't understand how one can suddenly change his convictions after hearing about the results of a vote of the fishermen in northern Saskatchewan. And so, this year we have a profit of \$1870.

In the Trading Division, we have a net loss of \$6,500. It should be noted, however, that \$6,500 is a very small percentage of the total handling of the Trading Division, namely \$265,000. You can see that that amounts to less than two per cent of the total handling of that corporation. That is another service industry operated by the people of Saskatchewan to develop the northland.

Then we have the one with which everyone is most familiar, the Saskatchewan Transportation Company. I didn't hear anyone from the other side make any reference to that when they were talking about Crown Corporations. They like to pick out three or four and hold them up and say, "you see, the corporations are losing money". The Saskatchewan Transportation Company, I think everyone will concede, is giving the best transportation service that has ever been given on our highway system in Saskatchewan. It is operating over a total of 4,000 miles of route, compared with less than 2,500 being operated by all the private enterprise systems at any time in the past. It is operating some sixty buses, and they earned a profit of \$120,000 on last year's operations.

I want to say something about the total that is represented by the corporations which I have already enumerated. The total amount of investment is \$2,521,000 in this group, and on that investment we have accumulated losses of \$9,270, and we have accumulated total profits of \$152,000 on that group, or a net surplus of \$143,000 on that group of service industries — \$143,000 is available to the taxpayers of Saskatchewan for Government purposes and that represents a rate of return on investment of 5.7 per cent.

There are those who say that these industries ought to be operated without any profit whatever. I submit, Mr. Speaker, that it should be our concern to see that those industries ought to be operated so as not to exploit the people who use them. They ought to be operated to produce a fair return, a return about equivalent to the interest on the money invested.

There is nothing wrong with a 5.7 per cent return — our margin of dividends on our investment in this group of industries designed for public service.

Then we have the commercial enterprises, the group which are frankly commercial in their character. There is the Box Factory. The Box Factory should not have a place in our Crown Corporations. The fact is that it got in here because of the desire of this Government to enforce the laws of this province. I think I can say without contradiction that, if the ruling of the Privy Council that was finally given in connection with The Trade Union Act had been made before this occasion, the former owner of the Box Factory would have abided by the provisions of the Act, and it would have been unnecessary to confiscate it. Delays in arriving at a judicial decision on the validity of a provincial law should not operate to nullify that law for a period of two or three years. And so, from the point of view of administration, it was expedient to bring the Box Factory into this group of Crown Corporations.

Yet the Box Factory has an excellent record of administration. It is today employing some ninety-one people at average rates of pay in excess of ninety cents an hour, whereas four years ago the average rate of pay was less than forty-five cents an hour. I think that is rather remarkable. I don't think very many private enterprises in Saskatchewan can show such a record. In spite of that fact, it has operated with a net loss of only \$400.

Then we have the Government Printing Corporation — that is one of the ones my hon. friend from Melfort referred to. "Why," he said, "you make \$36,000 on the Printing Corporation and all you have done is take it out of the Government"; but the fact remains that it was being taken out of the Government by the 'Leader-Post' and the rest of the printing companies of this city. It was being taken out before. Now it is being returned to a Crown Corporation, which is doing the work, and it represents a saving to the people of Saskatchewan of \$36,000. It also represents an example of a very successful public industry.

The Wool Products Division: I know that the Wool Products Division comes in for a good deal of scorn and criticism from Liberal speakers when they go out in the country. Well, the Wool Products Division of Saskatchewan Industries Limited may take some time to get on a paying basis. I have been told by people who know something about the wool industry that there are woollen mills that have taken as long as five or six years to get well established; but I say that you should not judge the woollen industry on the basis of profit or loss alone. You should carry in mind that it employs seventy-five people in the city of Moose Jaw. You should also carry in mind that it is attracting a secondary industry to Moose Jaw for the processing of the woollen material in the garment industry.

The Sodium Sulphate Plant at Chaplin is, I think, probably a good example of a Socialist enterprise just coming into being. The Sodium Sulphate Plant, I am told by people who know, is probably the most efficient producer of sodium sulphate in this province; certainly people who produce sodium sulphate on a private enterprise basis are pretty much concerned about the low cost production of our Sodium Sulphate plant near Chaplin.

March 17, 1950

This year, as I think all hon. members know, the newsprint Industry, which is the chief customer of the Sodium Sulphate, has been operating at a very low production level. Everyone knows that the price of newsprint took a slump, some months ago, because of over stockpiling of newsprint on this continent, and production of newsprint almost came to a standstill for many months, this year. I am confident that this Sodium Sulphate plant will produce creditable results and will be one of the industries of which we are most proud on this side. On last year's operations, the plant earned a surplus of only \$10,000.

It is not necessary to say very much about the Reconstruction Corporation. It is operated in a similar manner to the War Assets Corporation of the Dominion Government. It acquires war assets, which were available only from the Defence Department in large parcels and makes them available to the public in small parcels. It makes it possible to break up large airports and other large holdings so that they can be bought in small quantities. It has shown a profit this year of \$71,000 on its operations. I did not hear that one mentioned by any member on the opposite side.

The report of the Clay Products Division, I believe, has not been tabled. On that account I can't say very much about it. It incurred a net loss of \$41,000 last year.

The Government Insurance Office is another of our Crown corporations. It was one of the first. The Government Insurance Office is not just an insurance business owned by the people of Saskatchewan; it is an illustration of the community of interest that exists between the payers of premiums and the receivers of the benefits of insurance. It is the Government Insurance Office which managed The Automobile Accident Insurance Act, and I think everyone will agree that, if we did not have the Government Insurance Office, the administration of The Automobile Accident Insurance Act would be much more costly than it is today. In addition to that service which it is rendering, it is providing the people of Saskatchewan with low cost fire insurance and accident insurance.

I have before me a statement compiled showing the approximate average costs of various types of automobile insurance in different parts of Canada. In this province you can obtain the 'package' policy from the Saskatchewan Government Insurance Office which, together with the Auto Accident Insurance Act, provides a very extensive automobile insurance coverage at a cost of \$27.50 or less. To get equivalent coverage in other provinces you would have to pay: in Alberta, \$104.35, if you qualified for the rural rate; and in Manitoba, some \$77.95, if you qualified for the rural rate. I submit, Mr. Speaker, that it is no accident that people in other provinces in Canada, people who have no axe to grind for the C.C.F., are demanding that their governments provide this insurance service. This year from that Crown Corporation we have a net of \$205,000, and that does not include one nickel from any compulsory insurance.

The Timber Board: I don't know very much about northern Saskatchewan, and I don't pretend to know very much about northern Saskatchewan, but you have there a surplus on operations of \$80,000.

In that group of enterprises you have a total investment of \$5,013,000, and you have a total net profit of \$283,600 after subtracting losses. That is a rate of profit on investment of 5.7 per cent. Now the Liberal Party likes to allege, when they get out in the country where no responsible person can hear them, that the profits of the Crown Corporations are entirely due to the operations of the Government Telephones and to the Power Corporation.

Then we have the Telephone Company and the Power Corporation, I don't know where the hon. members opposite find any resemblance to the Power Corporation as it exists today and the Power Corporation as it existed in 1944. In 1944, if you look at the map which appears on the inside of the 1947 annual report, you will find three or four spiders scattered around the province and they represent the transmission lines of the then Saskatchewan Power Corporation. The contrast is very vivid between the Power Corporation as it was then and as it is now. But the Opposition continually tries to create the impression that there is some evidence that the Government is trying to conceal losses, or to create profits which don't exist, by refusing to charge interest on advances to Crown Corporations. The Leader of the Opposition has made that a point time and again for the last year or so. But who is it, in the operation of Crown Corporations, that has adjusted the figures so as to show a satisfactory return?

I have here in my hand, Mr. Speaker, the financial statements of the Department of Telephones for the years 1938, 1939 and 1940, and during those years the Telephone Department allowed: in 1938, a depreciation allowance of 2.5 per cent on their capital assets; in 1939, 2.75 per cent; in 1940, they allowed depreciation of 3 per cent. Well, people who know something about the rates of depreciation of telephone lines and telephone equipment are pretty well agreed that the rate should not be less than four per cent, and you have here a frank admission by the then Minister of Telephones that the telephone depreciation rate was too low, because in the 1944 returns, he made adjustments to cover those little deviations that had been carried on from 1938 up to 1944. It is not surprising that the leader of the Liberal Party should come to the conclusion that we would be interested in tampering with returns in order to show the kind of profit that we might like to show. That is just the kind of thing that the Minister of Telephones under the Government of his Party did, during the depression years.

There is similar evidence, for those who wish to look for it, in the annual reports and financial statements of the Saskatchewan Power Commission. At that time — and I will just go back to the one for the year 1939; in that year the then Minister of Education who was Minister in charge of the Power Commission said in the opening of his report, "Provision has been made for depreciation and replacement reserve of \$144,400 . . . and fixed capital is shown at \$7,765,000". Well, Mr. Speaker, that works out to 1.9 per cent of the real capital assets of the Corporation. People who know what proper depreciation is agree that the rate of depreciation should be in excess of 3.5 per cent. Here too, Mr. Speaker, you have an admission from the Commissioners of the Power Commission at that time, that they know they were not doing the right thing because, if you look at the annual financial statement, you will find that even that 1.9 per cent was not evenly distributed over

March 17, 1950

all the assets of the Commission.

They had power development units at Saskatoon, North Battleford and Swift Current, at which places they had an agreement with the public to buy electricity at cost, costs to include depreciation, and so what little depreciation they did allow, they put it against those three power generating plants and loaded it on the consumers of those cities. The result is that you have depreciation charged against some of the branches of the Corporation at ridiculously low figures. To anybody who wants to check these figures they are available on page 16. Here is an illustration — Saskatoon was capitalized at \$2,100,000, and they allowed for depreciation a total of \$86,000 — that is 6.6 per cent but when you come down here to Wynyard capitalized at \$180,000. One per cent would have been \$1,800, but they allowed only \$1,300. Take Saltcoats, a \$55,000 project. Well, one per cent would have been \$550; they allowed \$501 for depreciation. I say that, whenever anybody suggests that we are not charging interest on crown corporations in order to create the impression that we are making a profit, he had better look to the record of his own party in the operation of crown corporations.

That practice was discontinued long ago. In 1946-47 for instance, you have the depreciation charged against the various portions of the Power Commission in the following manner: Saskatoon Power Plant, \$3,300,000 worth of capital and depreciation of \$108,000, which is approximately three per cent. The Swift Current Power Plant, capitalized at \$400,000 was depreciated \$17,000, almost exactly four per cent; the North Battleford Power Plant, worth \$325,000, depreciated \$11,000, a little over three per cent; and all other plants and equipment worth \$8,000,000, depreciated \$214,000, almost three per cent.

Well, I submit Mr. Speaker, that it ill behoves the Leader of the Opposition to attribute motives to the people who operate our Crown Corporations, that they would deceive the public as the true state of facts in these operating accounts. In view of some three million dollars earned by the Crown Corporations in the last operating year, and in view of the kind of statements that Liberal spokesmen are making around this province, I suggest that, if anybody wants to doubt anybody, they had better doubt some of the spokesmen of the Liberal party.

The Crown Corporations are significant not just because they are paying their way. They are significant, too, because they provide increased wealth to the people of Saskatchewan. You have a total investment of some forty million dollars. Seven million, nine hundred thousand was invested in corporations commenced since this Government took office. For that forty million dollars you have employment provided to some 3,073 people in Saskatchewan. And for the seven million dollars which has been invested by this C.C.F. Government you have given employment to 1,234 people. Approximately 40 per cent of the people who are employed by Crown Corporations are employed by the Crown Corporations that were commenced since 1944. You cannot assess the value of the Crown Corporations strictly on the basis of dollars and cents or of profit and loss. You must also take into account, the employment which they give to the people of Saskatchewan. You must take into account too, the wealth which they produce. Those Crown Corporations

have produced, last year, in this province, a total of \$24,000,000 of real wealth for the people of Saskatchewan. That \$24,000,000 is just as important to the consumers of this province as is any twenty-four million dollars of wealth produced. In doing so, they have paid out some \$6,000,000 in wages and salaries. Six million dollars in wages and salaries helps to oil the wheels to keep the industry of this province revolving.

The Leader of the Liberal Party, however, said on October 13, 1949, that, although seven million of the taxpayers' money has been invested in Crown Corporations started by the C.C.F., not one nickel of profit had been made. He says that the profits of \$418,000 disappear when you take into account the interest on capital advances. Well, the fact of the matter is that if you can invest money on behalf of the public and earn an interest return of six per cent, you are not losing money, you are making money. And then he goes on to say: "Because of the drain on the public treasury for the Socialist experiments, municipalities have suffered through lack of financial help from the Provincial Government." He went on in a similar vein in the North Battleford 'Optimist' on February 2nd and said: "After Manitoba made a similar new financial arrangement, half of the increased revenue from this source was passed on to the municipalities in the form of increased school grants and increased municipal grants. Had Saskatchewan followed this procedure, approximately four million dollars a year would have been passed on to the municipalities."

Well, Mr. Speaker, Saskatchewan has a population roughly equivalent to the population of Manitoba. They have 778,000 and we have 861,000, and I suppose in terms of natural wealth produced, they may have a little more. They have greater soil productivity. They have industries situated in Winnipeg and commerce situated there which arises out of trade done in the whole of western Canada. And so it is quite proper, I think, for some purposes, to compare Saskatchewan with Manitoba. The Leader of the Liberal Party likes to compare Saskatchewan to Manitoba, but he likes to do it in the presence of people who have not got the facts.

What are the facts? Well, if you go over the estimates for the year 1950-51 in the Province of Manitoba, you will find certain items which are of direct benefit to municipalities. If we go through the Public Accounts of this province you will find similar items. If you take all those items which you can show are of direct benefit to municipalities, list them and add them up, you should have some means of measuring and judging the treatment that this province is giving to the municipal bodies here.

I am going to place on the record a table containing the items which I think are of direct financial benefit to the local government bodies, municipalities and school districts:

March 17, 1950

(Verbatim not available)

**EXPENDITURES DIRECTLY BENEFITTING
LOCAL GOVERNMENTS**

	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Excess</u>
Grants to Schools, excluding vocational and university grants	\$ 3,830,000	\$ 6,445,000	\$ 2,615,000
Radio & Visual Education grants	27,000	78,000	51,000
Correspondence School Branch	73,510	139,000	66,000
Grasshopper Control	265,000	219,000	-46,000
Social Assistance, mothers allowances, child care & welfare, grants to welfare organizations (excluding administration)	1,447,000	3,831,000	2,384,000
Old Age Pensions (Prov. share)	2,091,000	3,106,000	1,015,000
Tuberculosis control	325,000	440,000	115,000
Operational grants to hospitals and Cancer Commission	602,000	5,172,000	4,570,000
Grants for hospital capital including D.P. Projects (not including the share borne by the Dominion)	540,000	322,000	-218,000
Assistance to health regions, Municipalities & Local Government Bodies	343,000	516,000	173,000
Game bounties	85,000	57,000	-28,000
Highways, roads, bridges & Lorries, (excluding Trans-Canada & capital expenditures)	3,543,000	6,282,000	2,739,000
Free health services of O.A.P. etc.	nil	926,000	926,000
Services in L.I.D.'s in excess of revenue from L.I.D.'s	<u>nil</u>	<u>306,000</u>	<u>306,000</u>
	<u>\$13,171,000</u>	<u>\$27,839,000</u>	<u>\$14,668,000</u>

If assistance is not granted by the province, in these matters the burden falls upon the municipality and that is the same in Manitoba, as it is in Saskatchewan. Grants made on that behalf are of direct assistance to the municipal bodies. That is, the Province of Manitoba is spending \$13,171,000 while the Province of Saskatchewan is spending \$27,839,000 in that direction, — a surplus of \$14,668,000. I have not included in that statement the cost of the Ag Rep service and I have not included the cost of the Dairy Branch, because I do not believe that those are of direct assistance to municipalities. I have not included the cost of the Air Ambulance or of agricultural items, because these are not services that local bodies could attempt to provide to their people.

And so we have criticism from the member for Gravelbourg that all this Government did was spend, spend, spend and made no provisions for the future. Well, practically the entire difference between the proposed budget of this Government of \$55,000,000 and the proposed expenditures of the Manitoba Government amounting to \$40,000,000, — practically that entire difference of \$15,000,000 is directly attributable to increased assistance to municipal and local governing bodies. I suggest, Mr. Speaker, that if we were to reduce our budget to the same level as that in Manitoba, and if we were to remove all those items which I have read to you by \$14,000,000, we would then be giving the same kind of deal as the Province of Manitoba is giving to its municipal bodies. I submit that our 'fair deal' to our municipalities is worth just fourteen million dollars more than it would be if we were doing the same as Manitoba is doing.

What about a rainy day? That has been mentioned by the member for Gravelbourg and by the hon. member for Last Mountain. Well, I have in my hand a statistical summary of the Bank of Canada and that summary shows, on page 173, that the only province in Canada that reduced its public debt in the past year, is the province of Saskatchewan. Prince Edward Island's debt increased from twelve to fourteen million; Nova Scotia's from \$109 million to \$141 million; New Brunswick's from \$115 million to \$135 million; Quebec's from \$601 million to \$654 million; Ontario's from \$809 million to \$893 million; Manitoba's from \$77 million to \$83 million; Alberta's from \$138 million to \$141 million; British Columbia's from \$189 million to \$206 million; Saskatchewan down from \$156.8 million to \$153.3 million.

I submit, Mr. Speaker, that if you consider the operation of our Crown Corporations, consider them on the basis of the actual picture, you cannot condemn this Government for the way in which it has operated its Crown Corporations. If you consider the picture of the over-all budget and the distribution of the funds that come into this province from the taxpayers, if you consider their distribution, you cannot condemn this budget; certainly not from the point of view that we are giving the municipalities niggardly treatment. If we consider this budget and the financial affairs of this Province from the point of view of the security which this budget offers, for the future, against possible recession and depression, you cannot condemn this budget. And so I say, Mr. Speaker, that I have no doubt at all as to how I shall vote on the budget. I shall support it.

Mr. A.P. Swallow (Yorkton): — Mr. Speaker, I ask permission to adjourn the debate.

Motion agreed to and debate adjourned.

UNPARLIAMENTARY REMARKS

Premier Douglas: — Mr. Speaker on a point of privilege, and reverting to the references to unparliamentary remarks made at the opening of today's sitting: The 'Leader-Post' carried the article, but we have since checked with the transcription again. I think the hon. members know that, in taking down a transcription from a record, sometimes it is possible to make a mistake. We have checked it back and the newspaper report is correct and our transcription was wrong in reference to this word "Traitor". I think it is most unfortunate that the newspaper report was right, in this case. What was said was: "Who is that man? — I say that that kind of a person is a fellow-comrade, is a fifth-columnist, is a Communist and is the worst type of Quisling and a traitor." Now those are the words which actually are on the recording, and I wanted to suggest, first of all therefore, that the newspaper was not in error in quoting it. They apparently caught the hon. member's words better than the stenographer did who took them down from the recording. I want to suggest, in the second place, that I believe the newspaper did carry in the morning a statement that there had been a retraction and that in cutting down the story for the later edition that was inadvertently left out.

I rose exclusively for the purpose of suggesting two things. One is that I do think that it might be wise if Your Honour could meet with the newspaper reporter and arrange to have it made clear in a subsequent publication that this statement which was made by the member was withdrawn. I think, in fairness to him and in fairness to the member about whom it was said and in fairness to Your Honour and to the integrity of this House, that the public should know that a statement like this does not stand and that it was withdrawn at Your Honour's request and it was withdrawn by the member. That is the first suggestion I would like to make.

The second suggestion I would like to make, and I think that most members will agree with it, is that while we have not got an official record in this House and while our record is an unofficial record (and I am not going to move any motion), I am sure that, if the matter were taken up with the hon. member for Redberry either through his Leader or by Your Honour directly, he would be prepared to have that stricken from the record. I recognize that in times of heat in debate we all say things that probably we would not say if we took more time to think them over; but it is a serious thing to leave on the record about any man, least of all a member who has won the King's uniform, that he is a fifth-columnist, a Communist, a worst type of Quisling and a traitor. For the honour of the House and for the sake of the member himself as well as for the man about whom he said it, I do not think that should be left on the record of the House. I am not going to move any motion. I think that the hon. member, in his own better judgment when he has thought it over, would be very glad to acquiesce in the suggestion that it be expunged from the record.

Mr. Tucker: — Mr. Speaker, I think that it would be quite all right to have

March 17, 1950

it understood that this be stricken off the record, but I would also draw to your Honour's attention, the attack that was made on the hon. member for Redberry. The first item that was mentioned was "the hon. member for Redberry sounded to me very much like a fugitive from Lower Slobovia. He will henceforth undoubtedly be known in this House as Comrade Korchinski". That was said by a Minister of this Government, speaking about one of our members, and a reflection undoubtedly on him. But then the hon. member went on to make a reflection on the personal courage of the hon. member for Redberry.

Now, then, if people are going to throw these aspersions around, of course it is only human nature that a provoked retaliation will result. Mr. Speaker, I pointed out more than once that if these epithets are going to be thrown about from that side of the House without the Government being forced to withdraw them, then human nature will assert itself. Here is what a Minister of the Crown in this House said about one of our members — an absolutely unprovoked attack Mr. Speaker. Here's what the record shows: "I would point out that it comes remarkably ill from a member who had not the courage to even taste the horrors of war." Now is it to be said of everybody who did not manage to get into the King's uniform that he had not the courage? We know very well, Mr. Chairman, that there are many people in this Legislature who were unable to get into the Armed Services. Is it to be said by a Minister of the Crown here that they had not the courage to get in there, Mr. Speaker? We know that there are many different reasons why people cannot or could not get into the armed services. So that was an absolutely uncalled for attack on one of my colleagues by a Minister of the Crown.

I, as you know, Mr. Speaker, have deplored these sneering attacks, but I say that there is a higher obligation on a Minister of the Crown, perhaps, in regard to making attacks like this, especially when he is the aggressor. Well, then, of course these other things are said. I deplore them, Mr. Speaker, and I'm glad the hon. member, my colleague, quite readily withdrew them when it was drawn to his attention; but that is more than the Minister of the Crown did, and there is no record in the record that the Minister of the Crown ever withdrew that aspersion on the courage of our colleague. I know that he must feel very badly about it. I know how I'd feel about it. Of course I don't believe anything of the nature that the minister is a traitor and so on. I regret that it should be said. Neither do I believe, Mr. Speaker, that my hon. friend from Redberry had not the "courage" to go into the army or anything like that, that he didn't have the courage to do that. I don't believe that that should be said. I don't think that it was fair to make that aspersion.

Then, Mr. Speaker, I draw this other thing to your attention. The suggestion that every Liberal and Conservative was ready (the words are here, I'll just read them):

"The Debate was continued, the question was put and every Liberal and every Tory voted for closed trade relations with this country that they want to bomb out of existence now."

Now, Mr. Speaker I drew that to your attention at that time. I raised the question at that time that an aspersion had been made against every Liberal and Conservative that we were wanting to destroy the people of

the Soviet Union; a charge there, Mr. Speaker, of cold-blooded — that we were wanting to destroy millions of human lives; the charge that we wanted to bomb those people out of existence; an absolutely unwarranted charge by the Minister of the Crown in this House.

I grant you, Mr. Speaker, that the charge of being traitor and so on is a grievous thing against one of our members, but surely the charge that in this day and age all the Liberals and Conservatives, including some of the greatest statesmen in the world today, want to destroy millions of human lives, surely that is a terrible charge to come from a Minister of the Crown before this Legislature. Now, then, when he gets so disturbed — I am not surprised that he gets disturbed — but again I say, Mr. Speaker, that at that time I rose and wanted that withdrawn about all the Liberals and Conservatives (there was no discrimination at all) wanting to bomb that country out of existence. Why? That charge was made against us because we said that we took the attitude, that we agreed with the Atlantic Security Pact and the leaders of the Socialist Government of England and everybody else, and because we took that attitude we should be prepared to defend ourselves and so on. I rose before the House here, Mr. Speaker, you will remember it, and asked the charge be withdrawn. There was no withdrawal then, no suggestion of withdrawal. But there was a withdrawal from my colleagues from Redberry. Under all the circumstances, Mr. Speaker, I want to say to you that I realize that this must have been a very difficult matter. I think that the Minister of the Crown was quite provocative in his speech, but I am quite sure from my conversation with the member from Redberry that he would be quite content to have these words stricken from the records, words which were uttered in the heat of debate. He retaliated because he thought he was attacked on account of his ancestry, because his courage had been called in question, and because of all the other provocative words of the Minister of the Crown. I am quite satisfied that he would be satisfied to have those words stricken from the record.

Hon. Mr. Sturdy: — Mr. Speaker, may I make myself clear here. Certainly it was furthest from my mind to cast any aspersions on the racial origin of the member for Redberry. I don't do that sort of thing; have never been guilty of it. But, if you will permit me to make my statement I will be as brief as possible. The member for Redberry, as everyone in the House knows, made a great deal of reference to Russia in every one of the speeches that he has given in the House and so I said he talked like a refugee from lower Slobovia. Now that occurred in the funny papers; it was meant to be jovial. If he has taken offence at it I certainly apologize because nothing was meant to deflect on his national origin. As I pointed out before, I make no discrimination with respect to race or colour or creed.

We speak of the fact that tempers are allowed to flare. Well, I have read the statement made by the member for Redberry, and this is what he said: "I consider a Communist is criminal and force is the only way of stopping him." And the member for Wilkie — his statement I read from the record; "The fact remains that about half the population of Europe is behind the Iron Curtain, and Russia is there to stay until she is driven out by armed force." Now, I followed that up. My opening remarks in my speech were these: "I ask if the Liberal Party of this province has come out as an agitative force" — the conclusion I drew from the statements of these two gentlemen. Mr. Korchinski, the member for Redberry immediately

March 17, 1950

interrupted me and it's on the record: "Are you defending Stalin?" Now, I have never defended Stalin. I have never said anything about Russia one way or the other. I have never said anything about the United States of America in this House, one way or the other since I have been in this House, and the records will also show that. So it is natural that when I was interrupted, as he interrupted me to ask "Are you defending Stalin?" that I took some umbrage and I said, "It is sickening and somewhat terrifying to find men appointed to high office, to the Legislature of this province, who glibly advocate the use of force when they have experienced nothing of the horrors of war and seem not to realize the menace of a war to come." There was provocation, Mr. Speaker, when I made these statements. I am prepared to withdraw in view of what has been stated, that it is not the intention of the party in power, or their wish to attack Russia or any other country as far as that is concerned; but in order to understand that you have got to read the whole context of the speech. This fact remains, Mr. Speaker, and naturally I have never made reference to my service in the armed forces. I do not intend to. The record stands for itself. But to have any member of this House charge me with the things that I was charged with by the hon. member for Redberry, who has taken your protection and the protection of this House, to say within these protective walls, things what he would not dare to say outside of them, then I do take violent exception to them.

Mr. Speaker: — Will the member then say if he is willing to have it stricken from the records?

I want to say for my own justification — and I think I may have the permission of the House to say these few words — that maybe I have been a little lax in calling some of the members to order. But when one side of the House charges the other side of the House with being Communist, which today is a very derogatory term, and does imply with it, that you are not loyal to your Government, I think we have got to stop that kind of thing. It has been going on incessantly, and it places me in a very difficult position. You call someone of the C.C.F. allegiant to Communism and they call the Liberals allegiant to war and destroying by force, and I do not know where I am going to draw the line unless I stop all discussion. I am going to determine to stop much of this cross-fire across the floor of the House, and if it is not stopped, well, I am quite prepared to adjourn the House. Ever since I was elected to this office I have tried to apply the rules without any prejudice or without any favour, and I think I can say that in all sincerity. As I have said before, if there is any question as to my fairness or my impartiality, there is only one method and you can take it and I am prepared to take the consequences and I do not want any favours at all. I will confer with the members and see if we can get this done. Maybe there might be some other things that should be expunged, too.

The Assembly adjourned at 6:00 o'clock p.m.