

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Eleventh Legislature
10th Day

Wednesday, February 14, 1951

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

DEBATE ON ADDRESS-IN-REPLY

The House resumed from Tuesday, February 13, 1951, the adjourned debate on the proposed Motion of Mr. Howe for the Address in Reply to the Speech from the Throne.

Hon. L.F. McIntosh (Minister of Municipal Affairs): — The member for The Battlefords (Mr. Maher), in his address yesterday, severely criticized the operations of most of the Government Crown Companies. In doing so he made special mention of the sodium sulphate plant at Chaplin and brick plant operations at Estevan. Might I suggest to the hon. member that I would be very happy to accompany him to public meetings at Chaplin and at Estevan to enable him to place before the citizens of those communities his views with respect to the operation of these two Crown Corporations.

Some mention was also made of the power utilities with special reference to the Saskatchewan Power Corporation. I gathered rightly or wrongly from the remarks made by the hon. member for The Battlefords, that he would like to see power utilities operated as a service organization rather than as an organization that would be showing profits at the end of the fiscal year. Might I suggest to the member that he could profitably discuss the question of provincially or municipally owned power plants with the city council of Regina, and with the city council of Saskatoon. As he was, or is, a member of the city council of North Battleford, he will have some appreciation of the revenues derived by that city from the distribution of power in the Battlefords.

Hon. Mr. Brockelbank: — Hidden taxes up there!

Hon. Mr. McIntosh: — I might also suggest, for the information of the hon. member that the city of Saskatoon feels rather disappointed if, in any year, the revenues from their public utilities are not equal to somewhere in the neighbourhood of 25 per cent of the total revenues of that city.

I gather from the remarks made that the hon. member for The Battlefords would be rather critical of the Industrial Development Bank of Canada, as they show in their annual report to the Minister of Finance, for 1950, a loss of some \$133,000. May I hasten to say, Mr. Speaker, in case any of the members opposite are labouring under any delusions that the Industrial Development Bank of Canada loaned, in the province of Saskatchewan, for the year ending September 30, 1950, \$1,137,000; in Prince Edward Island, \$54,000; in the province of Nova Scotia, \$610,000; in the province of New Brunswick, \$1,391,000; in the province of Manitoba, \$1,200,000 and in the province of Alberta, \$1,950,000.

In the light of people being frightened to make investments here in the province of Saskatchewan, it may be of some interest, also, to the hon. members

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opposite to note that the Canadian Farm Loan Board, in the fiscal year ending March 31, 1950, made loans in the province of Saskatchewan to the extent of \$1,387,000, giving a total over-all loans in the province, as at March 31, 1950, of \$13,721,000.

I noted that none of the members opposite complimented the Hudson Bay and Smelting Company on their expenditure of some \$9,000,00 in plant extension, all of which was spent in the province of Saskatchewan. Mr. Speaker I challenge members opposite to name any three companies that, in the 40 years in which they governed the province of Saskatchewan, spent a similar sum in this province.

Mr. Speaker, I would like to quote from a report which I am sure the members opposite would consider very authentic. It is the annual report of the Prince Albert Board of Trade. It makes some mention of the development that has taken place in the northern part of the province of Saskatchewan since their last annual report. It makes mention of industries, and says that in 1951 the programme includes a plywood and a furniture factory, an oil refinery, a financial firm. It also mentions Kresges, Woolworths, and Safeway Companies are expected to construct new retail outlets in that city, in 1951. Woolworths have their basement dug. Safeways and Kresges have property purchased.

The report goes on to mention the uranium developments in the northern part of our province. It says:

"It is estimated that \$2,000,000 was spent in 1950 on mineral development in Northern Saskatchewan. Most of this expenditure came from mining groups in this search for its proven uranium fields. Uranium finds were centred in the Athabasca, Black Lake and Lac la Ronge areas".

At Lac la Ronge, the report mentions a Mr. A.R. Lee, geologist for Cando Mining Company, who is spending the winter in the area laying the groundwork for full-scale operations in the spring. Preliminary work has indicated the presence of approximately one million tons of radium ore in the area controlled by Cando Mining Company and the Lac la Ronge Uranium Mines Limited. It goes on to mention the Nicholson mines, a short distance from old Goldfields; the Nisco mines, and other minerals such as zinc, gold, silver and copper.

Then it was said this Government was driving the fishermen out of this province; this Government was curtailing the operations of fishermen on the lakes! Well, this report goes on to relate a development in the commercial fishing industry:

"Operations were carried out on 39 lakes during the summer season alone, with a catch of 3,500,000 lbs of fish."

It deals with the development of the port of Churchill, and in this connection mention is made of the activities of this Government since 1946. It mentions, for example, that in 1950, some 6,705,000 bushels of wheat left the port of Churchill for European ports. The savings on the shipment of this wheat are given as \$810,000. There were 3,400 tons of imports. Reference is made to the reduction in Hull insurance effected both in 1949 and again in 1950.

Then the report moves over to the Saskatchewan Government Airways. It points out that, in 1950, Saskatchewan Government Airways carried 7,096 passengers, 1,877,000 lbs of cargo, and just under 3,000 lbs of mail. The Tourist Advisory Committees of the Board of Trade mentions here that more than 72,000 persons visited the National Park last year; more than 5,000 anglers visited Lac la Ronge. It says the Park attendance showed an increase of 38.7 per cent over 1949.

May I also mention, in passing, still quoting the annual report of the Prince Albert Board of Trade, that bank clearances in 1950 aggregated \$75½ million. The power plant kilowatts distributed to the city in 1950 were 18.5 per cent over and above the previous year; the rural distribution was 30.5 per cent over that of the previous year. I would like to assure the members opposite that, when we complete the north and south highway leading from the International Border to the gates of the Prince Albert National Park and when the Federal Government completes the hard-surfacing of the road within the Park, this road taking the most direct route and giving to the people of this province access to that route, the number of tourists from our own province, those from other provinces of the Dominion and the States of the Union will be very substantially increased.

Mr. Speaker, I am not going to dwell on the 1950 harvest other than to say that under the International Wheat Agreement the Dominion of Canada is permitted to sell 203 million bushels at a maximum price of \$1.80 U.S.A. funds. That would probably indicate what we might expect as further payments on the 1950-51 crop delivered to the Canadian Wheat Board.

I want to deal now with the five-year pool, Mr. Speaker. The five-year pool commenced its operations on August 1, 1945, and handled approximately \$1,440,000,000 bushels. I might say these figures are within a range of 20 million bushels one way or the other. In the crop year 1945-46, export sales to the United Kingdom and other countries were close to 200 million bushels, which were offered by the Federal Government of Canada at \$1.55, basis No. 1 Northern in store Fort William, the initial price being \$1.25. A further payment brought the total payment up to \$1.75. So, of the total of 1,440,000,000, 200 million were handled for export in the crop year 1945-46, and the Federal Government had a voice in determining the price. The Canadian-U.K. wheat agreement was signed July 24, 1946. That agreement called for the delivery of a total of 600 million bushels of wheat. In each of the first two years, 1946-47 and 1947-48, 160 million bushels were delivered; in 1948-49, 140 millions and in 1949-50, 140 millions. The agreement sets the price the first year at \$1.55.

I think we might keep in mind here, Mr. Speaker, that in the first year's pool the Federal Government had a voice in determining the price at which that grain was going to be sold to the United Kingdom and to other countries of the world, and \$1.55 was the price which they suggested. So the first year of the British contract the price was \$1.55 and the second year, \$1.55. Also written into the agreement in respect of wheat bought and sold in the third year, in the crop year of 1948-49, was the price of \$1.25; in respect to wheat bought and sold in the crop year of 1949-50, not less than \$1.00 a bushel. The British Government paid \$2.00 for the third year and \$2.00 for the fourth year. In other words, the British Government paid to the Dominion of Canada \$182 million in excess of the price quoted in the contract signed by James A. McKinnon, on behalf of the Government of Canada, and by P.A. Clutterbuck, on behalf of the Government of the United Kingdom. A total of approximately 630 million bushels of wheat was delivered under the Canada-U.K. agreement.

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Mr. Tucker: — Might I ask the hon. member a question? I did not follow the Minister's argument there — if he wishes to make it plain. This is the first time I have ever heard that suggestion.

Hon. Mr. McIntosh: — I doubt if I can make it clear enough, Mr. Speaker, I could go over it again if the hon. leader of the Opposition wishes.

Mr. Tucker: — Don't bother if you don't want to.

Hon. Mr. McIntosh: — Now let us then move from there into the domestic scene, because I think what we must keep in mind is that the Federal Government fixed the policy and price for a very substantial quantity of the wheat handled in this five-year pool. Coming into the domestic field we find that, during the period of the five-year pool, the domestic sales totalled 340 million bushels: the 1945-46 domestic sales of 80 million bushels at \$1.25 a bushel; the 1946-47 crop year to February 17, 1947, 38 million at \$1.25 a bushel; February 18, 1947, to July 31, 1948, 113 million at \$1.55 a bushel; 1948-49 crop year, 53 million at \$2.00 a bushel, and in 1949-50, 55 millions at \$2.00 a bushel. So a total of approximately 340 millions of the 1,440,000,000 went into domestic sales at a price decided by the Federal Government.

Now, Mr. Speaker, I think the important point in respect to the five-year pool is this: what did the Canada Wheat Board receive for the wheat which the Canada Wheat Board had the responsibility of actually marketing? In 1946-47, the Canada Wheat Board sold what is commonly known as Class 2 wheat — 78 million bushels at \$2.43 a bushel; in 1947-48, 17 million bushels at \$2.88 a bushel; in 1948-49, 75 millions at \$2.23 a bushel; in 1949-50, an estimated sale of 30 millions at \$2.15 a bushel plus 38 million bushels which were under the International Wheat Agreement that were used in the last year of the British contract to carry out the total deliveries and that were sold at the price established under the International Wheat Agreement, approximately \$1.95 a bushel.

I think, when we consider those figures, Mr. Speaker, that we can say without hesitation that the Canada Wheat Board made an excellent job of marketing that portion of the crop delivered to the five year pool which it had the actual responsibility of marketing. For that reason, the members on this side of the House, Mr. Speaker, are whole-heartedly and actively engaged in the support of the Canada Wheat Board.

Some mention was made here, during the course of the debate on the Speech from the Throne, of criticisms levied against the Wheat Board that might militate against the future operations of that board. I want to say without hesitation, Mr. Speaker, that any comments respecting the operations of the past five-year pool, and any comments made in respect to the marketing of the 1950-51 crop, were levied against the policy of the Federal Government and not against the efficiency of the Canada Wheat Board.

Mr. Speaker, the 'Free Press' on February 10, said:

"Manitoba's bitter coarse grain marketing controversy will be taken to the people at a special plebiscite to be held after 1950-51 crop returns are in," stated Premier Douglas L. Campbell."

And comments in respect to this statement published in the same paper of the same date say:

"Date of vote to be held next autumn made one thing almost sure, spring and summer will see bitter speaking campaigns in rural municipalities."

Does that not indicate that the Liberal Government of the Province of Manitoba is prepared to see that this particular system of marketing gets a complete airing in public? Then, in last night's 'Leader-Post' carrying a red headline, in the left-hand corner of the front page:

"Ottawa, February 13 (British United Press and Staff): The Government, Tuesday, prepared a huge Valentine Day's gift to western wheat growers with a Bill allowing them to cash in on more than 200 million bushels of frozen 1950 grain."

Mr. Tucker: — Do you object to that?

Hon. Mr. McIntosh: — No, Mr. Speaker, we do not object to that. What I am saying here is that this newspaper release would indicate that the Federal Government is giving to the wheat growers of the crop year 1950, a gift on 200 million bushels of wheat. Then, on the same page, under the heading of the five-year pool topic:

"While the British have not agreed to change their minds as to making a further payment under this clause, the matter is not considered closed."

Now, I am sure, Mr. Speaker, hon. members opposite will not criticize an article by one who is personally known to a number of them, in the person of Mr. H.G.L. Strange, of the Searle Grain Company. In his article in the "Monetary Times' Annual National Review, 1951, he had this to say:

"A year ago the Government decided to take over the marketing of oats and barley in Canada, but for political reasons, the Government decided to permit the Winnipeg open futures market on coarse grains to function and gave permission to the Wheat Board to sell the coarse grains they had purchased from the farmers through the open market."

"For political reasons" is the statement of Major Strange in respect to the handling of the oat and barley crops.

Mr. Tucker: — Is that a new friend you have now? We must be getting together more than we thought.

Hon. Mr. McIntosh: — Mr. Speaker, I should devote a few minutes, this afternoon, to dealing with the Britnell-Cronkite-Jacobs Report. I would like first to congratulate the complimentary remarks of the Leader of the Opposition relative to the personnel chosen to make this study. I hope, Mr. Tucker, some of the members sitting around you will take your remarks seriously. We on this side of the House are confident that you would have to go very far afield before you could find three men more capable of doing this kind of a job than the three men chosen by the Provincial Government.

Mr. Tucker: — We would just like you to take their advice, that is all.

Hon. Mr. McIntosh: — This committee was appointed early in 1948, and it presented an interim report to the Minister of the Department of Municipal Affairs in July of 1950. We undertook to send copies of that interim report to all members of this House. There was a terrific amount of research work involved in getting up the report. I am not going to deal with that at the moment. However, I would like to quote, for the information of the House, the opinion of the editor of 'Canadian Finance' in the January issue of that magazine:

"This is the second and concluding instalment of a comprehensive analysis by Mr. Cruice of the Britnell-Cronkite-Jacobs report on the taxation structure of Saskatchewan. The report is the most valuable and significant document on Provincial Taxation ever published in relation to the Wheat Province."

The history of municipalities in the province of Saskatchewan is well known to every member of this Assembly. It might be just as well to mention, however, that the North-West Territories Act, passed in 1875, empowered the councils of the Territories to pass ordinances governing municipalities. The first of such ordinances was not passed until 1883. In that year the area of ten municipalities and two towns, Moose Jaw and Regina, were defined by proclamation, but only four rural municipalities and two towns were actually established. That set the pattern and the basis for the municipal institutions as they are known in the Province of Saskatchewan today. We have today within the boundaries of this province some 800 municipal governments — 302 rural municipal governments, some 84 town governments, some eight city governments, and the balance govern the villages of this province.

Now the question of assessment. The assessing of the value of the property for taxation purposes becomes more important as the years go by. The Saskatchewan Assessment Branch undertakes to assess all properties, with the exception of the properties in cities in excess of 15,000 population. I might mention, in passing, that the cost of maintaining this service is some \$135,000, and it is paid by the Provincial Government out of government funds.

It is rather interesting to note that in 1947, the City of Regina, for example, secured from property tax, business licences, etc., 43.96 per cent of the total year's levy, and, from public utilities, 34.19 per cent. That will give you some indication of how important public utilities are in the minds of municipal governments. It is estimated that in 1949-50, the revenues of the Province of Saskatchewan were some \$59 millions. If all levies had been collected in that year, the municipal revenue, based on their levies, was \$47 million. In that year the Provincial Government paid the municipalities a total over-all, in all forms of grants, of \$13 million, in round figures. This gave to the municipal governments of this province some \$60 million to discharge its obligations.

Might I say, in passing, Mr. Speaker, that, to the credit of the rural municipal officials of this province, their debt has been reduced by \$60 million since 1938. A great deal has been said about the tax load which municipalities and their ratepayers have been asked to carry. It may be news to some of the younger members opposite to learn that municipal taxes were collected in this province as far back as 1926, probably as far back as 1883; but the Britnell Report goes back to 1926, and the tables show that, in 1926, taxes amounting to \$14,181,000 were levied. This was equal to 4.9 per cent of the gross agricultural income. As we go along through the years, we find that, in 1930, some \$15,232,000 was collected in municipal and school taxes, or 12.4 per cent of the total gross income from agriculture. That increases, naturally, down through the 'thirties, and when we got to 1948 we find that 3.4 per cent of the gross income from agriculture goes to pay the taxes levied by the rural municipalities of this province.

Now, Mr. Speaker, there is no question but that you will all agree that taxes are an overhead cost of operation. They are a charge against the income of people. They are a charge against the income of agricultural people in the rural areas of this province. The question arises as to what percentage of the gross income from agriculture should be a charge against municipal services. Is it 3.4 per cent? Is it 4.9 per cent? Is it 12 per cent as it was in 1937? Is it 18.6 per cent as it was in 1931? That is a question of vital concern to municipal officials and to their ratepayers.

A great deal has been said in this House in connection with the burden of taxes. Comparisons have been made between Manitoba and Saskatchewan on the one hand, and Alberta and Saskatchewan on the other hand, so I thought it advisable to go to some little trouble to give to this House and to the air audience authentic information in respect to this question. The mill rate determines the amount of taxes one pays. The mill rate is flexible; the assessment is adjustable where improvements warrant. In 1945, Alberta rural municipalities collected an average of 27 mills for municipal and school purposes; in 1949, for general municipal purposes, 23.65 mills and for schools 21.3 mills. A total of 44.68 mills was the average mill rate in the rural municipalities of the province of Alberta in 1949. We go over to the province of Manitoba, and using the same years, we find that the average mill rate in that province in 1945 was 29.50, and in 1949 it was 49.13. Now, in the Province of Saskatchewan, in 1945, the average mill rate for school and municipal purposes (using the same basis as they used in Manitoba and Alberta) was 19.4 mills; in 1949, 30.2. Let me repeat the figures: 44.68 in Alberta; 49.13 in Manitoba, and 30.2 in the province of Saskatchewan.

Now, Mr. Speaker, the Minister of Municipal Affairs for the province of Manitoba, addressing the 1950 convention of the Union of Manitoba Municipalities, said this:

"In 1940 municipal levies were \$7,900,000; in 1949 municipal levies were \$15,300,000 — doubled in that period of time."

Mr. Tucker: — Where are these figures taken from, or are they figures that were assembled in the Minister's Department?

Hon. Mr. McIntosh: — It is rather unfortunate, Mr. Speaker, the minds of some of our citizens of this province. These figures, may I say for the information of the hon. member opposite, were taken from the records of the Department of Municipal Affairs of the Province of Alberta and of the Province of Manitoba. If the hon. Leader of the Opposition wishes any additional figures he can get them from the work-files that went into making up the Britnell-Cronkite-Jacobs Report. For the information of those opposite let us take one municipality in the province of Manitoba, the municipality of Wallace, and I am sure my hon. friend from Cannington (Mr. McCarthy) will be familiar with this municipality. They have, in a certain school district in that municipality, a mill rate of 94 mills. They have an average over the entire municipality of 60.4 mills. Now, that is taking one municipality, but I have been giving you the average figures.

Something has been said in this House in connection with the abolishing of the Public Revenue Tax, and I understand from the amendment to the Speech from the Throne that the members opposite wish that done immediately.

Mr. Tucker: — That is what your Commission recommended.

Hon. Mr. McIntosh: — The Britnell Report says the allegations that the municipalities are over-burdened and that land is over-taxed have been examined

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with great care. This was quoted yesterday, but I hope you will pardon me for quoting it again because the memories of some people are very short:

"The result of the investigation has been somewhat of a surprise to the Committee for it has been found that in no sense can it be said that real property in the average municipality is being overtaxed either absolutely or relatively, under present conditions."

But when the question arose as to whether or not the hon. members opposite were favourable to an increase in the Gasoline Tax, I think I heard, "No". I am sure the hon. members opposite are not aware that, at a meeting represented by eight municipal councils held at Wawota, at the annual district meeting of the rural municipal councils of the Regina district, and at a meeting of rural municipal officials held at Watrous, the vote was unanimously in favour of imposing an additional two cents a gallon gasoline tax on taxable fuel.

Mr. Danielson: — You should do away with the Public Revenue Tax.

Hon. Mr. McIntosh: — Now, Mr. Speaker, I note that my time is practically up, but I would like to draw to the attention of the House that the question of taxation of Crown properties was raised in this province 14 years ago, and mention was made of taxation of crown properties in the Jacoby Commission's report to the then Liberal Government. Members opposite, Mr. Speaker, are sometimes inclined to the opinion that the only Crown properties we have in the province of Saskatchewan are those in the name of the Provincial Government. So, for their information, I prepared, or had prepared, a breakdown. There are \$126 million of assessed tax-exempt properties in the province of Saskatchewan, of which \$15 million is in the name of the Government of Canada, \$18 million in the name of the Government of the Province of Saskatchewan, and the balance in the name of municipalities, educational, religious institutions and industrial and industrial and business enterprises that have been exempt from tax. Back in 1938 the Jacoby Commission had this to say, on page 182:

"The committee accordingly recommends that appropriate legislation be enacted under which Saskatchewan Crown companies or commercial agents shall pay municipal taxes and levies to the same extent as private owners would be liable for such taxes or levies."

This recommendation was made by the Jacoby Commission. The cost to the province would be in the neighbourhood of \$250,000. The Liberal Government was in office for eight years following the tabling of that report, but they come along and say that the recommendation in the Britnell report must be implemented today, not tomorrow. The Jacoby Commission, Mr. Speaker, recommended the abolition of the Public Revenue Tax over 14 years ago, but the members to your left come along now and say this must be done today because tomorrow is too late.

Might I conclude by stating that I am firmly of the opinion that a greater measure of progress can be made in the developing of provincial-municipal relations through co-operation, understanding and consideration between the Government of the province and the municipal officials of the province of Saskatchewan. The Britnell-Cronkite-Jacobs report will be submitted to, and discussed at, the coming Rural Municipal convention scheduled to be held in Regina the week of March 10th. At that time we will have an opportunity to gauge the opinion of the officials of 300 of our rural municipalities in respect to the recommendations and the implementation of these recommendations.

Might I conclude by stating, Mr. Speaker, that the Britnell-Cronkite Committee recommended and suggested that it would take approximately three years to implement the recommendations contained in this report. With the knowledge I have of the contents of the report, I feel deeply obliged to vote against the proposed amendment to the Address in Reply to the Speech from the Throne and to support of main motion.

Mr. J. Walter Erb (Milestone): — Mr. Speaker, in rising to participate in this debate, I should like, first, to take note that this is St. Valentine's Day, and I hope that all married members, at least, executed their husbandly duty in sending their wives an expression of their continued love and affection. I was out last night for supper with the member for Hanley (Mr. Walker), and, as a matter of fact, I had completely forgotten St. Valentine's Day; but he solemnly reminded me that it was expedient that we send our wives a card, considering the fact that we are only home once a week while sitting in the Legislature.

I should like to congratulate the mover and the seconder of the Address to the Speech from the Throne on the excellent manner in which they spoke. Listening to them, Mr. Speaker, it was obvious that they are men with wide experience in the field of their particular endeavour, and because of their fine qualities of heart and mind, I am very proud to be associated with them.

I should also like to congratulate the hon. Leader of the Opposition upon his speech which was considered, I am sure, a very excellent one, by every member of the Opposition! I often think, Mr. Speaker, what a difficult position the hon. member has to fill as leader of His Majesty's Loyal Opposition. It must be an arduous and uninspiring task to act as chief critic against a Government that has brought such a profound and social economic change to the people of the province, while his party, through the years as a government of this province, were almost notorious for their inaction in meeting the inequities of the day.

I also wish to congratulate the hon. Premier upon his remarkably fine address. I am sure the ego in every one of us tells us sometimes that we have reached a certain stage of maturity, but after listening to the Premier I feel relegated back to short pants, and I have a suspicion that my hon. friends from the Opposition feel even less mature — in three-cornered ones.

I should like, Mr. Speaker, to take note of the seat next to the hon. Leader of the Opposition, which was occupied by the former hon. member for Gravelbourg, now Mr. Justice Culliton. Hon. members may recall that, last year, during the budget debate, I assured the hon. member for Gravelbourg that when this party makes the Government at Ottawa, I should, at that time, use every influence I might possess at that time to get for him a haven from the vicissitudes of political life. Now, Mr. Speaker, if this assurance was a suggestion to the Department of Justice at Ottawa, I want to assure my learned friends who still remain in the Opposition that I regret I am unable to make it an annual event.

Seriously, Mr. Speaker, I believe I express the sentiments of this side of the House when I say that the former member of Gravelbourg was respected by everyone on this side of the House. While we may not have agreed with him, we never doubted his sincerity and ability. I am sure Justice Culliton is eminently qualified for the high office to which he has been appointed, and it is my hope that he may continue to serve in well-being for many years to come.

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I should also like to congratulate the other members who have taken part in this debate, which has probably been the most diversified one in this Eleventh Legislature. It seems to me, Mr. Speaker, that it is becoming increasingly apparent that the Opposition has failed in its attempt, during these past six years, to credit the C.C.F. Government.

I can visualize the Leader of the Opposition going over the length and breadth of this province trying to convince his hearers that the Premier has discredited the Wheat Board in favour of the Winnipeg Grain Exchange, or that the Premier of Saskatchewan would line up the C.C.F. party with the Soviet Union in opposing the resolution of the U.N. branding China the aggressor, thereby trying to create the sinister impression that the Premier of this province has at last indicated where his sympathies lie. This attempt, Mr. Speaker, to create a Dr. Jekyll and Mr. Hyde out of the Premier, who has spent more than 16 years of his life in an unceasing and selfless effort to establish a society based on economic justice, social justice and freedom, suggests nothing less, to me at least, than intellectual bankruptcy.

Since Winston Churchill's address at Fulton, Missouri . . .

Mr. Tucker: — You must have a guilty mind.

Mr. Erb: — . . . where I believe he coined the phrase "The Iron Curtain", we have associated the same with an abstract but impenetrable barrier to information in respect to the Soviet Union . . .

Mr. J.E. McCormack: — You're on the east side though!

Mr. Erb: — I submit, Mr. Speaker, that the Iron Curtain is not peculiar to Russia alone. The Iron Curtain has fallen in diverse places of the world, wherever and whenever a black-out was indicated for political expediency. An iron curtain, Mr. Speaker, surrounds Saskatchewan, erected and maintained by the collusion of the press, the Liberal Party and the Canadian Chamber of Commerce. These groups, Mr. Speaker, who so loudly rush to the defence of every moral and ethical promise of democracy, where their own interests are concerned, obstruct with singular and similar alacrity a free and unadulterated flow of information throughout Canada in respect to the social and economic achievements of the Government of Saskatchewan.

I maintain, Mr. Speaker, that the people of Canada have a right to that information, free from adulteration and perversion. If all the people of Canada, Mr. Speaker, really knew about the great social and economic changes that have taken place in this province since the 'peoples' government' has administered its affairs, they would have demanded, and achieved, not only the social and economic security legislation that we have in this province, but all such legislation that would free them from the social and economic inequities of the present day. But, Mr. Speaker, the great majority of people of Canada, outside this province, have never heard of the Saskatchewan Hospital Services Plan, where, for a minimum fee of \$10 per person, or a maximum of \$30 for a family of four or more, the hospital insurance is guaranteed. I would like to add, too, to this, that, because of this Hospital Services Plan, the hospitalization costs have been greatly reduced in this province.

I am sure, too, Mr. Speaker, that the people of Canada, outside this province, not know that the treatment and care for cancer patients is free, that Saskatchewan is the only place in the world where it is free, and that our cancer

clinic is one of the finest in the world. And I am sure that they have not heard that the treatment and care of the mentally ill in Saskatchewan, is provided without cost to the patient or to his estate, or that the treatment and care is on such a high plane that more patients are being turned back to society as useful people, than in any other province or state on the continent. Or have the people heard of the great strides that this province has made in penology, so that the incidence of crime has gone down progressively, even to the extent where we had to close the provincial gaol at Moosomin, Saskatchewan.

Mr. L.L. Trippe (Turtleford): — And open two in Regina.

Mr. Erb: — Now incidentally, Mr. Speaker, is it not strange what a different sense of values our friends in the Opposition have, when the proposition involves making a little political 'hay'. We have, for instance, a little one-room schoolhouse that is closed due to circumstances peculiar to such schools, the children of that school, of course, being provided with education elsewhere. But what happens? The hue and cry goes out from our friends across the floor that the people of the district are required to pay taxes and their school is closed. They do not stop to explain why the school was closed: it was just closed as a result of C.C.F. educational policy. But, Mr. Speaker, when this Government closes a gaol as a result of its progressive policies in penology, a hush falls over our friends in the Opposition, like the twitter of little birds that is hushed in the splendor of twilight.

Now, Mr. Speaker, I would like to ask to what extent the insurance companies of Canada have allowed the true facts of the Saskatchewan Government Insurance to pass through the Iron Curtain to get through to the people of Canada, so that they may learn how, for \$28.50, this province has the finest insurance policy in the world. Have you ever seen, Mr. Speaker, a comparative chart published by the insurance companies stating the rates for insurance and the coverage in each province across Canada? I haven't! Well, naturally I do not blame them for neglecting to do this, because this is what the chart would show: it would show that their rates for the same coverage provided by the Saskatchewan Automobile Insurance and the package policy are, on the average, six times higher anywhere else in Canada. And you may be interested to know, Mr. Speaker, that the cheapest protection offered by private companies is in Manitoba, at \$77.20, and the costliest is in Quebec at \$237, and this is compared to our insurance at \$28.50 — but theirs does not include the accident coverage.

Now, Mr. Speaker, I just received on my desk, the other day, a report published and circulated by the Wawanesa Mutual Insurance Company, in which they, of course, tried to discredit compulsory insurance in Saskatchewan. And they say that compulsory insurance, in any form, is a negative approach to any safety programme, it insidiously produces, does not prevent, accidents. Well, Mr. Speaker, I think the matter is only relative so far as this Company is concerned. It just depends who would sell the compulsory insurance. The Insurance Company of Canada does not only endeavour to discredit the Saskatchewan Government Insurance outside this province, but within the province as well. We all remember, last year, when a well-known insurance company ran all these full page ads in the periodicals and dailies of Saskatchewan newspapers advertising a \$16.50 extension policy. Now just whom were they trying to fool? Certainly not the people of Saskatchewan. For, Mr. Speaker, just across the Saskatchewan border, in Manitoba, the same company was selling the same protection for twice as much — or \$52.00 Now I am quite sure that this \$16.50 extension policy it advertised did not appear in the Winnipeg 'Free Press' and the Calgary 'Herald,' the Vancouver 'Sun', the Toronto 'Globe and Mail,' or the Montreal 'Gazette'. It appeared only in the Saskatchewan papers for Saskatchewan

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consumption, implying, of course, that the \$17.50 package policy of the Saskatchewan Government was, after all, in the vernacular, 'not so hot'.

More recently, Mr. Speaker, the survey of the North Dakota State Commission of Government Insurance in Saskatchewan was exploited by the insurance companies, and their ally the press, in an endeavour to heap discredit upon people's own insurance service in this province. I submit, Mr. Speaker, that the Iron Curtain which surrounds Saskatchewan, erected and maintained by the groups which I have mentioned, is as totalitarian in principle and application as the one which surrounds the Soviet Union.

Mr. Tucker: — Mr. Speaker, would the hon. gentleman permit a question? Is he aware that the Wawanesa Mutual is a mutual company — a co-operative?

Mr. Erb: — Mr. Speaker, we have had many institutions that have tried to pan off their illicit operations as a co-operative.

Mr. Walker: — What kind of co-operatives do you in the Opposition believe in?

Mr. Erb: — Now, Mr. Speaker, there can only be only reason for this action on the part of these groups, and that is, namely the fear that if democratic socialism is not contained in Saskatchewan, it will sweep over the rest of this Dominion, bringing to an end the social and economic inequalities on which these groups thrive.

Mr. Danielson: — Who wrote that?

Mr. Erb: — We of the C.C.F. Party, Mr. Speaker, realize that our struggle for political leadership in Canada is not an easy one, especially in the face of the powerful forces that are arrayed against us; but of one thing we can be sure, and one thing in which we can take pride, and that is the fact that many of the reforms advocated by the C.C.F. at Ottawa today are written into the Dominion statute books.

I should like to quote Bruce Hutchinson, with whom I am sure all of you are familiar. He was writing in the 'Christian Science Monitor' and he revealed that, when he is not seeking Liberal votes, he is capable of more objective writing:

"The recent decline in C.C.F. parliamentary strength does not mean that its theories have ceased to be an important factor in Canadian society. Paradoxically, many of the objectives of the C.C.F. have gained increasing public support and have been quietly woven more and more into the fabric of politics.

"A good case could be made for the proposition that the C.C.F. has been one of the most influential movements in Canadian history."

Of interest, too, Mr. Speaker, is the statement made by Finance Minister Anacomb of British Columbia on August 9, 1950:

"If British Columbia's Coalition Party were dissolved, Progressive-Conservatives and Liberals, as they now stood, would have little chance against the strong C.C.F. Party."

Such evidence that the C.C.F. is a strong, vibrant and growing force must, no doubt, create some consternations among the political hierarchies that have sought its inception.

The hon. Leader of the Opposition, in his reply to the Throne Speech, and in particular to the statement made by the member for Elrose (Mr. Willis), that the Wheat Board's final five-year payment be made, took exception, saying that the final payment hinges on the 'have-regard' clause, which is now under review. Now, Mr. Speaker, in the spring of 1949 when the farmers of this province, and of the two provinces on either side, were not pressing the Wheat Board for money then, but they received more money in 1949 than they could conveniently handle in respect to income tax, but Mr. Speaker, there was a Federal election then. There is not a Federal election now, nor one in sight, and that is the only difference. The fact that thousands of farmers require immediate funds is only secondary to the Federal Government. The only 'have regard' to which the Liberal Government at Ottawa is concerned, is the regard to winning elections by buying the farmer's vote with his own money.

Mr. J.G. Egnatoff (Melfort): — When is the provincial election coming up?

Mr. Erb: — No one on this side of the House, Mr. Speaker, directly or indirectly, made statements that would undermine and discredit the Wheat Board. The hon. Premier's appraisal of the situation is more than substantiated by the manner in which the Wheat Board has been exploited by the Liberal Party for political advantage. But what the Federal Government, in effect, is doing, is undermining the farmer's faith in an institution which he believed was to mark a new era in orderly marketing for his grain crops, so that he would be no longer the victim of a speculative grain trade; and I submit, Mr. Speaker, that only the Federal Government can vindicate the farmers' faith in the Wheat Board by actions that are in accord with the high ideals upon which this institution was founded.

Thousands of farmers in the west are facing a real hardship as a result of the severely frozen crop. Thousands of acres were so severely frozen that they had to be burned, and in most instances the wheat that was harvested was of such poor grade and quality that it produced a yield only a fraction of that for which there were prospects earlier in the year. Now, adding to the hardship, Mr. Speaker, is the unwarranted boxcar shortage. Many elevator points have had no cars for the last several months, and elevator and annex facilities are filled to capacity. If the railroads and their friends, the Board of Transport Commissioners, and the Federal Government had any regard for western agriculture, they would have done everything possible to alleviate the congestion in country elevators; but, Mr. Speaker, it is no longer profitable for the C.P.R. to transport farmers' wheat. Their attitude is this: "Why should we haul a commodity whose rate is fixed by statute, when we received a 45 per cent increase in our other rates?" I submit, Mr. Speaker, that the case for the nationalization of the C.P.R. has never been so clear as it is now. As a result of the combination of the factors I have mentioned, the farmers in thousands of instances are sorely in need of money. The increase of 20 cents per bushel in the initial price of wheat is not even the soothing syrup it was intended to be, because for thousands of farmers whose wheat is still lying in the swath, or lying in piles under the snow, this 20 cents is a lot of unadulterated eye-wash, as far as making immediate funds available to them is concerned.

Now, lest my friends in the Opposition take up the cry that we are not only opposed to the Wheat Board but opposed to the initial price as well, I want to tell all my friends over there that increase in the initial payment should not have been 20 cents but rather this increase should have been 35 cents.

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Mr. Tucker: — Why be stingy?

Mr. Erb: — Mr. Speaker, we are definitely opposed not to anything that the Opposition has said in regard to our stand on the Wheat Board, but to shabby principles employed by the Federal Government in respect to their dealings with the farmers. What the farmers want, and want, now, is the immediate payment of their wheat over the 5-year period and what the farmers want in the final analysis is a fair settlement of all their claims and nothing less.

I do not intend to make a lengthy review of any Government department, Mr. Speaker, but I would like to touch on a few points concerning Highways, Education and Agriculture.

Probably no other department of government has received more criticism and abuse than has the Department of Highways. But as the years have passed, Mr. Speaker, this criticism, if it has not become less, certainly has become almost entirely unjustified, and in this connection I should like to read some of the statements made by outstanding reporters about the condition of Saskatchewan roads. I believe it has been given in the House before, but I am quite sure that as repetition wears away rock, probably these facts will eventually sink in across the floor. Now, James H. Gray, writing from Calgary states in the Ottawa 'Citizen' on August 25, 1949:

"In at least one respect this is one of the most sensational stories to blow in from the prairies in years. It is a report from the tourist just getting undusted after a 2,500 mile jaunt up to Winnipeg and return. The fact, hard and harsh as it may seem, is that Saskatchewan's gravelled highways in August were superior to their counterpart in either Manitoba or Alberta. So explodes a western myth that Saskatchewan boasts of the worst roads between here and Minsk and Pinsk — and Omsk as far as I am concerned."

Mr. Tucker: — You should have read that at the C.C.F. Convention.

Mr. Erb: —

"Now, No. 1 Highway from border to border in Saskatchewan was in excellent shape. Tourists of earlier times said its lack of potholes and signs showed signs of careful maintenance, were astounding."

Harold Simpson, of Vancouver, B.C., writing in the Calgary 'Herald' said this:

"In traversing 4,000 miles of Saskatchewan highway I found most of these roads as smooth as a billiard table, graded at very frequent intervals and a few bad patches were infinitely better than a few good parts on Alberta No. 9. Irrespective of political viewpoint I believe in giving credit where credit is due and the Government of Saskatchewan can certainly point with pride to the condition of its roads."

Now, Bob Tyre, our good friend who used to sit in the Press Gallery here, said this:

"When the year was younger we travelled No. 11 Highway to the Manitoba boundary and said some harsh things about the roads. In our wanderings thereafter, we discovered some mighty fine stretches of highway in Saskatchewan; and we would not want to write '30' to the old year without a word of appreciation to Highway Minister Douglas and his road-builders."

Mr. Tucker: — Take a bow.

Mr. Erb: — And I should like to just quote what Phil Wade said in the 'Star-Phoenix.' The 'Star-Phoenix' has been quoted several times, and I might add to it. I understand that for every once the 'Leader-Post,' is quoted the 'Star-Phoenix' has been quoted 20 times:

"Premier Douglas built a needed paved road through his constituency while Hon. J.T. Douglas looked after Rosetown suitably and in neither case should there be criticism. This reporter in the last two years has driven over most of the Highways in the north. Generally speaking, there can be few complaints. They have been well maintained and are better than Alberta's roads, much better than prior to 1944."

The people of this province, Mr. Speaker, I am sure, can look forward with great confidence to even better roads and more of them.

The larger school unit, which has received more abuse by the Liberal Party outside of this Chamber than in it, is an outstanding achievement of Saskatchewan's Government's educational policy. There are many who make great capital out of the fact of the rejection of a unit where a vote has been taken in that regard. They would offer this as proof positive that the Larger unit idea in Saskatchewan is not generally acceptable. The only real criterion, Mr. Speaker, as far as I am concerned, whether the larger unit is acceptable or not, is where this unit has been operating on a trial basis. It is interesting and gratifying to note that out of 24 units that have concluded the trial period only two petitions for a vote were received by the Department of Education, and in many of the remaining units there were not sufficient petitioners to constitute the required 15 per cent and in many there was not one single petitioner. I should like to add that the two units that did have the vote, which had petitioned for the vote, were sustained by large majority not only in the urban areas, but in the rural areas as well. And that, Mr. Speaker, I would say is proof positive. I am confident that eventually all school districts in Saskatchewan will be administered under the larger unit basis.

The agricultural policies of this Government, Mr. Speaker, have proven so sound that one hears very little criticism about it; but the hon. member for Melfort (Mr. Egnatoff) took exception to the fact that the Government does not want all Northern Crown Lands. Now, I would suggest, Mr. Speaker, that the hon. member for Melfort acquaint himself better with the planned policy with regard to Crown Lands. If he were aware of the security, as aware of the security as the settlers are aware themselves, he would probably not have tried to make a fake out of the fact that this Government does not sell Crown Lands. The settlers on these Crown Lands, Mr. Speaker, are perfectly satisfied. They are not asking that the policy be changed, enabling them to buy these lands. The only people, I submit, Mr. Speaker, who are really interested in the sale of these Crown Lands are those who would like to see the settler placed in a debtor position for their own ultimate gain. I am sure that the hon. member for Melfort did not make any votes for himself on this issue.

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Now, I should like to quote a few examples, Mr. Speaker, of what the C.C.F. Government has done in respect to its assistance in agriculture and compare the same with what the Liberals did in the last year in which they held office. Now, I am comparing the years 1943 and 1944 when they last held office and the years 1949 and 1950 under C.C.F. administration. The number of Ag-Reps we have today, 36; then there were 21. Land developed for feed and fodder; C.C.F. Government of 1949 developed 20,676 acres, the Liberals none. Irrigation of land brought under the ditch: C.C.F. 15,350 acres, the Liberals none. Self-help projects, such as local irrigation and land reclamation: C.C.F., 144 projects, the Liberals none. Cattle tested for Bangs disease: C.C.F. Government, 39,074 cattle, the Liberals none. Acres classified for re-settlement: one million acres under the C.C.F. in 1949-50, none in 1943-44. Now, the forage crop and seed distributed: C.C.F. 265,552 pounds, the Liberals none. Mr. Speaker, such records of the Liberal Government did, no doubt, prompt the hon. Premier to say they did it magnificently and they did it with dignity, but they did nothing.

Now, before I conclude, Mr. Speaker, I should like to touch briefly on what has been said in this House on international affairs. What the hon. Premier said in this connection is the conviction in the hearts of millions upon millions of people throughout Canada and the United States. It is my conviction, and I am sure it is the conviction of every member on this side of the House. We are not pacifists, neither will we allow ourselves to become victims of hysteria. The hon. member for Melfort stated that if the U.N. had not gone as far as banning the Chinese action of aggression, the organization would have lost any semblance of authority and it would have meant its downfall. That statement, Mr. Speaker, is the most presumptuous I have ever heard in respect to the present crisis. It would be equally presumptuous to say that because the U.N. branded China an aggressor all hope for a peaceful settlement has vanished. One would assume that the hon. member for Melfort, being a teacher and presumably having studied Chinese history, should be capable of some original thinking. Confucius would have given him a very poor grade indeed. Who is to say what the . . .

Mr. Egnatoff: — Stalin would too.

Mr. Erb: — Who is to say that the U.N. action is right any more than might is right? We have long since learned that might is not always right. History records the actions of generations and it condemns or justifies those actions long after a generation has passed away. Might not the course of history be a happier one, Mr. Speaker, had we recognized long ago the hunger, poverty and diocese and hopelessness form the perfect culture media for totalitarianism. Certainly, Mr. Speaker, we are not going to settle international affairs in this Chamber, and it won't be settled in any chamber until men sit down together in mutual respect and understanding of one another's problems, and realize that to lose face after having led with one's a chin is not half as costly nor half so tragic as losing a million lives. To this end the least of our prayers shall be, please God we may muddle through!

Mr. Speaker, I support the motion.

Mr. L.L. Trippe (Spruce Lake): — With your permission, Mr. Speaker, I beg leave to adjourn the debate.

The Assembly adjourned at 5.15 o'clock p.m.