

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Eleventh Legislature
35th Day

Thursday, March 27, 1952

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

On the Orders of the Day.

STATEMENT ON FIRST REPORT OF HEALTH SURVEY COMMITTEE

Hon. Mr. Bentley (Minister of Public Health): — I would like at this time to table in the Legislature the first volume of the report of the Saskatchewan Health Survey Committee. This volume entitled "Health Programmes and Personnel" was completed last fall, after more than two years of careful study by the Saskatchewan Health Survey Committee. My letter of transmittal accompanying this first volume to the Hon. Paul Martin, commends the Federal Government for making funds available for each Province to conduct surveys of health needs and resources. In that letter I said:

"That the time was most opportune to appraise what has been accomplished and to determine how health services could be extended, improved and integrated to the end that complete health service for the people of this province might be established."

The Government of Saskatchewan has given thoughtful study to this first volume of the survey report. It recognizes that the publication of this realistic document marks an important milestone for the development of health services in Saskatchewan. This report constitutes a searching inquiry into our health resources and needs of all kinds which the Government accepts as an invaluable guide for future action.

The exhaustive nature of the Committee's study of health conditions in Saskatchewan and the formulation of its numerous recommendations reflect the high degree of responsibility and judgment of the members of the Committee. The Committee was widely representative of those providing health services, those receiving those services, as well as the Government agencies responsible for the administration of health programmes. On the invitation of the Health Services Planning Commission representatives are appointed by the Saskatchewan College of Physicians and Surgeons, the College of Dental Surgeons, Registered Nurses' Association, The Saskatchewan Hospital Association, the Catholic Hospital Conference, the Saskatchewan Association of Rural Municipalities, the Urban Municipalities' Association, Swift Current Health Region, the Saskatchewan Federation of Labour, the Women's Section of the Saskatchewan Farmers' Union and the Trades and Labour Congress. This group of men and women has made a significant contribution

March 27, 1952

by advancing our understanding of the health resources of this Province and by submitting comprehensive recommendations for future progress. The report therefore deserves the closest study by everyone interested in the health of our people because of the broad representation on the Committee which was able to reach unanimity on all its findings and recommendations.

The Survey Committee endorsed the National Health Grants Programme, and pointed out there was no longer cause for further delay in bringing the benefits of health insurance to the people of Saskatchewan. Accordingly it recommended that the Federal Government should extend the scope of its National Health Grants Programme by adopting immediately a National Health Insurance Programme.

The Committee went on to urge the establishment of a National Health Insurance System, assuring uniform benefits to all Canadians, with decentralized provincial administration. In the event that such a plan is to be organized and administered on a provincial rather than on a national level, the Committee recommended that the Federal Government adopt immediately the 1945 proposals which included substantial financial aid to the provinces. During the last few years the Federal Government, as well as every political party, every major farm and labour organization, every health professional association in this province, has urged the immediate implementation of the National Health Insurance Programme with provision for provincial participation. The Federal Government has frequently signified its determination to proceed with the introduction of a National Health Insurance Programme.

What is worth noting here is the unanimity of the Survey Committee, which is particularly significant in respect to its most important recommendations on health insurance. The Committee recommended that a comprehensive Health Insurance Programme should be undertaken in Saskatchewan at the earliest possible date. The Committee stated that this programme should be integrated with existing programmes so as to provide adequate care of high quality on the basis of need, without regard of individual ability to pay. The Government of Saskatchewan wholeheartedly endorses this major recommendation of the Saskatchewan Health Survey Committee. What the Health Survey Committee has shown is that the partial programmes undertaken in Saskatchewan during the last four or five years, in anticipation of the inauguration of a comprehensive programme, have demonstrated that health insurance is workable, that it can be administered efficiently and economically with full regard to maintaining and improving the quality of the professional services. A number of problems arose in the course of evolving these partial programmes of Health Insurance and these were to be expected. The Committee took pains to point out, however, that many of these problems, such as the effect on hospital utilization, of providing out-patient services on an in-patient basis, would disappear once partial programmes were incorporated into a comprehensive Health Insurance Plan with universal coverage.

In tabling this report, I wish to thank the various members of the Survey Committee for their untiring and devoted efforts in completing a report of which the people of this Province may be proud. I have had the opportunity to see many of the reports prepared in the States of the United

States and in one of the provinces of Canada, and I can see that the report which I am tabling here compares more than favourable in its detail, in its analysis and the breadth of its recommendations. With that, I table the report, Mr. Speaker.

CANADIAN WHEAT BOARD

Moved by Mr. Wellbelove and seconded by Mr. Gibson,

“That this Assembly requests that the Federal Government, as a matter of policy, so amend the Canadian Wheat Board Act as to provide for substantial cash advances to farmers on grain stored on the farms.”

Mr. J. Wellbelove (Kerrobot-Kindersley): — Mr. Speaker, under ordinary circumstances the Motion that I am about to submit is one which would not provoke any adverse criticism; but circumstances do not seem to be just ordinary in the deliberations of this Assembly. Her Majesty’s most loyal Opposition can always seem to find some hidden motive for minister intent behind most of the resolutions submitted from this side of the House and also some of the legislation, so that I would not be too optimistic as to what might develop before we dispose of this resolution. But it is one asking that the Wheat Board be empowered to make cash advances to farmers on grain in the granaries.

The import of this resolution is not only of concern really to western wheat growers, but the whole western economy is super-imposed on agriculture. The varied activities of our urban centres and their multitudinous services are also based on the farmers’ income primarily, and cereal production is the main source of this in many areas, as you are aware, sir, in Western Canada.

The Western Canadian harvest is not only a matter of concern to Western Canada, but the economy of the whole Dominion is related to the prosperity of the western farmers, because everybody from the end of June until well on into August is wondering what the outcome of the western harvest is going to be. And any failure to crop conditions in Western Canada has serious repercussions not only in Western Canada, but throughout the length and breadth of the Dominion, so that it is a matter of concern not only to us primarily as producers, but also to the whole economy of the Dominion. However, the resolution deals primarily with the farmers’ income.

The matter of advancing cash to farmers for grain stored in the granaries is not a new idea. Many members will recall that the United States for years had the “Ever Normal Granary” whereby the farmer was encouraged to carry over a percentage of his crop to meet conditions which might arise in times of scarcity. It was considered to be a good insurance.

Following on from that, the Commodity Credit Corporation still functions in the United States, and I notice that, in 1933, the C.C.C. was

March 27, 1952

transferred to, and became part of, the United States Department of Agriculture. In 1949, the charter was amended in several important respects giving the C.C.C. the power to support prices of agriculture products, loans, purchases and other operations.

Well, we are not going into all those ramifications at the present time, Mr. Speaker. All we are asking in this resolution is simply that the Federal Government amend the Canadian Wheat Board Act to empower the Wheat Board to make advances to farmers on grain in the granary. The security is there, and through the permit book, the safeguard is there. Conditions are somewhat accentuated this year on account of the conditions in the west, but what we are asking for is an all-time revision; but I do notice that in the "Wheat Review" of February 1952 published by the Department of Statistics at Ottawa, it says:

"While Canada's 1951 wheat crop was in near-record proportions, some 150 million bushels had to remain in the fields over winter, and whether all this grain can be recovered will not be known until the completion of spring harvesting operations. Moreover as a result of unfavourable harvesting weather, an abnormally large volume of western wheat was threshed tough and damp."

Most of us who attended the meeting down in the Committee Room will remember Mr. Riddell pointing out to the members of the Assembly there, the seriousness of the situation as it prevails in Western Canada at that time. But what we are interested in is getting this Wheat Board Act amended, not to meet this temporary expedient, but as an all-time part of the Wheat Board Act.

You all know there has been an Act passed (No. 44) at Ottawa to provide for short-term credit to grain producers in the prairie provinces to meet temporary financial difficulties arising from inability to complete harvesting operations, or to make delivery of grain; and I notice that the Farmers' Union in their submission to the Government of Saskatchewan under date of February 20th, said, "This Act is not proving entirely satisfactory in practice, as we had anticipated . . . We find a number of complaints coming to our office where farmers with unthreshed or undelivered grain are being refused cash advances by the banks to carry them over until spring."

Well, I am not in a position, Mr. Speaker, to know how many complaints there are, or how serious those complaints are; but I would like to deal for a little while with that particular Act. I notice, if you follow all through the Act, although the bank loans the money, the elevator company and the Canadian Wheat Board are primarily responsible to see that those collections are made in the interests of the bank; and in section 3, clause (b), you will note that the farmer gives the bank the following security — and I should say the amount in the aggregate of all moneys which can be loaned to farmers in Western Canada under this Act is \$20 million, and no loan shall exceed \$1,000; in most cases, it will be in a proportionate value of that particular farmer's crop, but in no case can it be more than \$1,000. Now, in this clause, the farmer, the borrower, states in his application to the bank (you notice he gives the bank security on all the grain threshed, or

unthreshed, on the farm), the estimated total quantity of all crops or grain of different kinds in respect of which he is the actual producer; the estimated quantity of grain that he may become entitled to deliver on his own behalf, under the permit book, from the farm, and the quantity of grain that he may become so entitled to deliver — that he expects to deliver under the permit book, and then the estimated amount that would be payable from the sale of that grain.

That would appear to be pretty well enough security when that is endorsed in his permit book, and section 6 of the Act gives the bank the same security with an endorsed permit book, as any other bankable paper; it places it under security of section 88 of the Bank Act. So they have the farmer fairly well tied up to get his \$1,000. But that is not all. When you come to the regulations on page 2, section 6, clause 2, where “in the opinion of the Bank, security for re-payment of a guaranteed loan, in addition to that provided by Section 6, — they have all the grain that is on the farm on the basis of which they advanced a percentage of the value — they have all that tied up solid; but in addition to that the bank can ask, under section 6 of the Act, to take other necessary advisable security in addition to that.”

Now, I have no quarrel with the banks or bankers personally. Like many other farmers, I suppose, I have tried to impress the banker at times that I could handle a little more than he thought I could handle by way of loans, but I have no privilege of counting among my friends the bankers who have operated in our district. But as I was reading this over, and comparing notes, it took my mind back to the old homesteader days, Mr. Speaker, when you went inside the bank and sat on the penitent form and then waited your turn to go through the sweat-box. By the time you came out of there you wished to goodness you had never thought about trying to raise a loan. Well, this is putting us back just about in that same category in general. Many of us remember those old sweat-box experiences.

Well, under Clause 10 of the Act we notice that, while the Minister of Finance has made a payment to the bank in respect to loss sustained by the bank as the result of the guaranteed loan, the Minister may give notice to the Canadian Wheat Board of the amounts so paid, and require the Board to withhold and remit to him that amount out of all the moneys that may at any time thereafter, other than at the time of the sale of the grain by the borrower, become payable by the Board to the borrower. So Act 44 really makes the Wheat Board a collecting agency for the banks, so that there can be no objection to a resolution on that score, because the Wheat Board is, under Section 10 of this Act, really a collecting agency for the banks. The banks advance the money; they run no risk at all, and elevators and the Wheat Board are their collecting agencies.

Then in Clause 8 it says: “Where a producer to whom a guaranteed loan has been made by a bank, as endorsed in the permit book for the farm in respect to which he is the active producer, a direction in accordance with paragraph (c) (that is giving authority to retain these moneys) of section 3 of the Act, “that all moneys payable in respect of the purchase of grain delivered by him, or on his behalf, under the permit book, be paid to the bank until the loan is repaid in full, and the bank shall be entitled

March 27, 1952

in priority to all other persons to payments of all moneys that become payable upon delivery and sale of grain by, or on behalf of, that producer, under the permit book.” Here is the point I would like you to take notice of — “and may recover any such moneys by action or proceedings against the manager of the elevator, or any other person receiving grain.”

Now, I do not take any objection to that. I am not objecting to the terms of the Act, but what I do say, Mr. Speaker, is that we are going through all this rigmarole, to get an advance on our grain where there is ample security for the advance, and yet the elevator company and the Wheat Board are the people that are held responsible for the collection of those moneys, and we have, I think, a far simpler way of acting through that particular medium.

Now, I promised that I would not be very long to take up the air time. The elevator agent is a responsible person in a local district. It often happens with the farmer, and it will happen, I expect, this year, when he gets on towards seeding he will anticipate his wants then, and in the hurry he will try to raise his loan. In a good many places in the province, the farmer is not as well known to the banker where the bank is 40 or 50 miles away from the place where he is farming, but he is known to the elevator agent. The elevator agent in that district knows exactly what crop the farmer seeded; he knows exactly what the average yields are in the district and, to within a very little margin, he can estimate what grain that farmer has in store in the granary.

Now, to us it seems the simplest thing that the elevator agent should be allowed to make a cash advance against the grain which he has secured in the granaries, and the permit book is an absolutely safe guarantee to the Wheat Board, the same as the banks at the present time are guaranteed through the permit book. They are using their elevator agents, they are using their permit book, they are using the Wheat Board, and turning them into a collecting agency for the banks, and we say that the far simpler way and the far safer way and the far better way for the farmer in the rural areas would be if the elevator agent was able to make cash advances on the security that he knows is on the farm, a proportion of that grain that is on the farm, and would do away with all this having to go through, this prying into a fellow's affairs and putting him through the sweat-box before he can get a matter of a few hundred dollars.

We have not tangled this up, Mr. Speaker, with a lot of things to which objection may be taken. There are a lot of things that we could ask for that we have not asked for here. We are in the same position as the ‘darkie’ minister who went to the call of a church in a southern district, and when he had been there a couple of weeks, a casual visitor said: “Well how are you getting on with your new Minister?” “Well,” Sambo says, “we are getting along with him fine. He has only been here two weeks and he has asked the Lord for a lot of things the other fellow never knew he had.” Well, we have a lot of things here we could ask for, in addition to this; that is, the farmer is entitled to the storage for grain on the farm. The farmer erects a granary and stores his grain there; sometimes the quota delivery system prevents him from delivering his quota; sometimes he has grain in addition to his immediate delivery quota, and he has to provide that storage

facility free of charge; but under the Canada Grain Act, of course, any company erecting elevator space is paid for the storage of the farmer's grain, once he has delivered it to the shipping point.

I cannot see any real argument, although we are not asking for it at this time, but like the darkie preacher, we might come back again afterwards and ask for some of the things the first one never thought of. But that is one thing we might bear in mind. Then I note that the Act goes a little further than we are going at the present time. It does advance moneys on grain in the swath, and advances money on standing crop. The terms it uses is: "crops not severed from the ground." So, under this Act the advances are far more insecure than what we are asking here, Mr. Speaker. While we may have a right to ask, of course, for money advanced on grain that is in the swath (my own is out on the swath now, under the snow), and grain which is not severed yet from the ground, but we are not asking for that immediately. We just want to get our foot in the door and get this thing started to realize that the farmer has some rights when he has grain in store on the farm, without having just this temporary legislation, or going through this particular process to get the immediate needs off his work on the farm.

Before I close there is another point I would like to draw to your attention, Mr. Speaker, and that is by being able to get advances for his grain which is in store on the farm, it would prevent to a certain extent the heavy rush of deliveries in the fall season, where we get congestion at the elevators and congestion at the terminals. Now, a man who could market a little of his grain, and then get a reasonable advance on a proportion of the grain which was kept back in storage on the farm, would not be in such a great rush to hurry his stuff through to the shipping point, the elevator, or through to the terminal, and it would greatly facilitate the movement of grain in all directions.

I, therefore, make the Motion, seconded by Mr. Gibson, which stands in my name.

Mr. J. Benson (Last Mountain): — I have listened with interest to this debate on this particular question, and I do not want to be in the position of voting for or against this Motion without expressing a few opinions on it. I want to say to the members who expect to come on the radio that I am not going to take much of their time — I will only be a couple of minutes.

When I read this resolution over I questioned the advisability of it, because I believe there will be many difficulties in the way of putting it into effect. It is turning our Wheat Board into a loaning institution, and if we ask that the Wheat Board do that I wonder if we are not endangering the Wheat Board. There is a lot of opposition to the Wheat Board in Western Canada today and in Eastern Canada, and I wonder, if we should go so far as to ask that it become a loaning institution, if we will not aggravate that opposition. I wonder, too, if this is a practical solution to the problem: What type of machinery will it be necessary to set up in order to carry this idea out?

March 27, 1952

The mover of the resolution suggested that the elevator agents should become the people through whom these advances should be made. I question whether or not it would be very advisable to make our elevator agent the person who would have to say whether or not a certain farmer had his grain stored properly and so on, and whether or not he should give him an advance, because he will have the responsibility of seeing that the security is there and of collecting the money when it has to be repaid. I would like to suggest that while this may be a solution, in my opinion a better solution would be to establish and maintain a proper quota system. I think when we have quota system, every farmer (if it is operated as it should be) is then able to obtain sufficient money to pay his current expenses and carry on.

The mover dealt with the Act that was passed to deal with the situation, last fall; but this resolution does not ask that that kind of a situation be dealt with at all. I remember over 20 years ago, when I was a Wheat Pool delegate, we urged the Wheat Pool of this province to establish a farm storage scheme so that farmers who held their grain back would be paid storage for having held the grain back in order to enable the farmers to market their grain on a more even and proper basis. The Wheat Pool considered this farm storage problem very, very seriously, and they considered it for a long time, but they never put it into effect because they realized the difficulties in regard to the whole problem.

I do not want to take any more of the members' time, but I would suggest that a quota system, if established properly and maintained properly, is the solution to this problem; and if any farmer then wants additional money, he has the grain there and we have the lending institutions today — the banks and credit unions that can take care of this problem; and all the farmer would have to do is sign an order that the elevator agent would pay the debt when he delivers the grain.

The question being put, the resolution was agreed to unanimously.

MUNICIPAL ADVISORY COMMISSION

Second Reading — Bill No. 69

The House resumed the adjourned debate on the proposed Motion of the Hon. Mr. McIntosh:

That Bill No. 69 — An Act to provide for the Establishment of Saskatchewan Municipal Advisory Commission — be now read the second time.

Mr. J.W. Horsman (Wilkie): — Mr. Speaker, when I asked leave to adjourn the debate on this Bill on Friday last, I did so because I thought this was a matter of great importance, and something

which should not be passed over too lightly. I was of the opinion that this was perhaps the most important piece of legislation that will come before the Session this year, as far as the municipalities of the province are concerned.

I want to state that I do not intend to oppose this Motion on second reading, but I am concerned as to how this Commission will be appointed: whether they will be men who have had experience in municipal affairs, and on whose recommendations the appointments will be made. As we all know, according to the Bill this commission will be responsible to the Minister only. Section 3 of the Bill states:

“There shall be a Commission to be called Saskatchewan Municipal Advisory Commission consisting of not less than three and not more than five members who shall be appointed by the Lieut. Governor in council.”

And in Section 6 it says this:

“In the performance of the duties and exercise of the powers imposed and conferred upon the Commission by or pursuant to the provisions of this Act the Commission shall be responsible to the Minister.”

It states very clearly that this Commission shall be responsible to the Minister, and no one else. I think it would be all right for the Commission to report to the Minister, but I doubt the wisdom of having this Commission entirely under the control of the Minister. It would seem to me that the people who are mostly concerned about this Commission would be the municipalities, and I think they should have some sort of control over this Commission.

Section 7 of the Act points out the duties of the Commission:

“The Commission shall inquire into any matter referred to it by the Minister for investigation. The Commission shall report to the Minister on any matter when requested by him to do so.”

That very plainly states again that they are responsible to the Minister and no one else, and I think, Mr. Speaker, that the success or failure of this Commission will depend very largely on the personnel of the Commission — the men who compose it.

Now here is Section 8 of the Bill. Clause (b) states: (This is a power to the Commission):

“(b) consult with and make recommendations to municipal authorities on any matter relating to municipal administration.”

Now, the municipal men in this province, I think we all admit, are doing a pretty good job. They are men who are well up to their work.

March 27, 1952

Many of them have had years, and half their life-times on this work, and it is doubtful whether or not they would take very kindly to advice from a Commission unless the Commission were men in whom they had every confidence. I think the importance of this Commission lies in the membership of the Commission — men in whom the municipalities will have confidence; men whom they are sure will have the best interests of the municipalities at heart, and men who know their business. Otherwise I think they would resent advice from a Commission set up by the Government, a Commission over which they have no control at all, and over whose membership they had nothing to do with appointing.

Now clause (c) of the same section reads like this:

“(c) examine the problem of obtaining additional sources of revenue for the municipalities.”

Mr. Speaker, I think this Government has a wonderful chance during this Session to find another source of revenue for the municipalities. The municipalities for years have requested the Government to abolish the Public Revenues Tax. The Government was urged very strongly to do that during this Session, but they decided not to do it; for reasons of their own they decided not to do it. Now, I think that was the best opportunity they will ever have of getting additional revenue for the municipalities. After all, it is not like giving the municipalities anything that does not belong to them. It is just giving them something that they are paying for anyway, and in the Cronkite-Jacobs report on provincial-municipal relations, the Government was advised to abolish that tax, and it was pointed out in that report that no senior government had the right to invade the only source of revenue that the municipalities have — that is, the land taxation.

Now Clause (d) of this section 8 reads:

“(d) examine the present division of financial and administrative responsibility among local authorities, including municipal councils, school boards, unit boards, union hospital boards and regional health boards.”

We know now what the division of responsibility is, pretty well, between these groups; we know that the municipality has the financial responsibility in all cases. They are obliged to collect taxes for all these groups. All the school board needs to do is to figure out their budget and present it to the municipal council. The municipal council is obliged to collect the taxes and pay it over to them, but they have nothing whatever to do with the administration of the school districts. They have no control over the expenditures of these funds at all; they are only responsible for their collection. I have often thought that a council which has to collect all this money should have some control somehow over the expenditures, to see whether the money was wisely expended, or not.

Now Section, or rather Clause (e) of this Section:

“(e) analyse all proposals relative to the need and desirability of grants of assistance or special relief to any municipality.”

Now Clause (d) of this section 8 reads:

(d) examine the present division of financial and administrative responsibility among local authorities, including municipal council, school boards, unit boards, union hospital boards and regional health boards.”

We know now what the division of responsibility is, pretty well, between these groups; we know that the municipality has the financial responsibility in all cases. They are obliged to collect taxes for all these groups. All the school board needs to do is to figure out their budget and present it to the municipal council. The Municipal Council is obliged to collect the taxes and pay it over to them, but they have nothing whatever to do with the administration of the school districts. They have no control over the expenditures of these funds at all; they are only responsible for their collection. I have often thought that a council which has to collect all this money should have some control somehow over the expenditures, to see whether the money was wisely expended, or not.

Now Section, or rather Clause (e) of this Section:

“(e) analyse all proposals relative to the need and desirability of grants of assistance or special relief to any municipality.”

Well, Mr. Speaker, we have now four full-time municipal inspectors out through the country, and I think we have one or two more on part-time. These men, during the course of the year, I believe, have visited every municipal office in the province, and they send a report in to the Minister. Besides, that the Minister receives a financial statement, an auditor’s report, from every municipal council once a year. It would seem to me a very simple matter for the Minister, or any member of his Department, to just look at these records and decide in a moment what municipality needed assistance, and what municipality did not. It would seem to me a very simple matter, the way things are now, and this Commission, in a case like that, would only be sort of duplicating the work that the municipal inspectors are doing now.

Now there is Clause (f) of this Section:

“(f) inquire into any matter which in the opinion of the Commission, is pertinent to the problem of strengthening municipal institutions as efficient governing unit.”

I think everyone in this House knows that this Government, ever since it came into power, has always been in favour of the larger municipal unit, and I think that we all agree, and know pretty well, that larger municipal units would have been established long ago if it had not been for the determined opposition of the municipal men.

March 27, 1952

I have a clipping here from "The Leader-Post" December 20, 1944, which sums up this very thing:

"LARGE MUNICIPAL UNITS WOULD BE BENEFICIAL"

"Reorganization of Saskatchewan's municipalities to larger municipal units would make the municipalities more powerful, and strengthen local government rather than weaken it, Municipal Affairs Minister J.H. Brockelbank said Monday night."

Well, that is almost like this clause in the Act here — "the problem of strengthening municipal institutions as efficient governing units." Now, I wonder if a Commission like this, appointed by the Government, responsible to the Minister and no one else, if they bring in a report urging the Government to establish large municipal units, I just wonder if the Government would not go ahead and institute them without giving the people a vote on them, or anything else. That is the way the larger school districts were formed; they were passed by ministerial order, and this could be done the same way.

Now there is Section 9 of the Act:

"The Lieutenant Governor in Council may appoint such consultants and advisers as are deemed necessary, and assign to them such duties as are deemed advisable or as the Commission may recommend."

Now, naturally, Mr. Speaker, these men would be appointed by the Government; they would be all men who were strong supporters of the government; otherwise they would not get the position, and they would have a certain influence over this Commission. They are appointed to advise them, to help them, I suppose, but principally in an advisory capacity. The Minister told us yesterday that in the estimate of \$14,000 that was being appropriated to pay for the expense of this Commission, about \$4,000 would be paid to the Commission and the balance would be paid to these consultants and advisers and people like that. This would indicate to me that the Commission would not be altogether an independent Commission. If they are going to be supervised and controlled by consultants and advisers, they might as well do away with the Commission, and let the consultants and advisers go ahead and run the thing themselves.

Mr. Speaker, when the Minister (Mr. McIntosh) spoke on this question last Friday (I think it was), he told us that the Commission would be composed of men of knowledge and ability, but he did not say who they would be, or from what source they would be appointed. The Commission would be responsible to the Minister, of course, and they would be supposed to carry out his orders — anything that he told them to do. The municipalities would have no authority whatever, and as far as anything in the Act is concerned, or anything the Minister has yet said, there is nothing to indicate that any recommendations which might be made by the municipal associations will be acted on in any way by the Government. In that case, if that Commission which is to be composed of men appointed by the Government or by the Minister, with no recommendations taken into effect, or nothing that the municipalities can say,

or consider, then I would say that the Commission would be biased right from the start, in favour of the Government. I would say they would be; but the municipalities have no control over them, and the men on the Commission might not even be sympathetic to the municipalities. We do not know.

I think, Mr. Speaker, this is a very important matter, and I believe that this Commission should be strictly non-political. If I may make a suggestion, I would say that one of this Commission should be appointed on the recommendation of the rural Municipal Association; and one should be appointed on the recommendation of the Urban Municipal Association, and the chairman could be appointed by the Minister or by the Government, and if the Commission is to be composed of five members, I think the ratio should be the same. After all, who should be in a better position to understand the problems that face the municipalities than men who have been engaged in that work, some of them most of their lives, men who at all times have had the best interests of the municipalities at heart, men in whom the municipalities and municipal men have every confidence, and men who could and would go ahead and carry out their work without fear or failure.

Now, the matter of appointing the Commission was mentioned in the House last Friday, by the hon. member for Arm River (Mr. Danielson) when he spoke for a few minutes. He said that this Commission should be appointed by the municipalities, and in replying to him, the hon. Minister of Natural Resources got up and asked this question: "Did the farmers appointed the members of the Canadian Wheat Board? Obviously not." Well, that is true — they did not; but there is no comparison, Mr. Speaker, whatsoever between . . .

Hon. Mr. Brockelbank: — Mr. Speaker, on a point of privilege, I must correct the hon. member. I did not say what the hon. member has indicated I did say. I did make this remark in that connection, that I had not heard the member for Arm River recommend the appointment of the Wheat Board in this manner.

Mr. Horsman: — Well, that is the way I read it in the paper, Mr. Speaker.

Mr. Danielson: — On a point of privilege . . .

Hon. Mr. Brockelbank: — Mr. Speaker, on a point of order, the hon. member for Arm River cannot tell me what I said.

Mr. Danielson: — Mr. Speaker, I am rising . . .

Mr. Speaker: — What are you rising on, a point of order or a point of privilege?

Mr. Danielson: — He mentioned my name, and I am rising on a point of order — or a point of privilege — to correct the Minister.

Mr. Speaker: — Order! Order! We cannot have an argument across the floor of the House. There is no point of privilege there.

Mr. Danielson: — He brought my name into the matter . . .

March 27, 1952

Mr. Speaker: — Order! Order!

Mr. Danielson: — He made a statement that is incorrect.

Hon. Mr. Brockelbank: — I have a real point of privilege in that . . .

Mr. Speaker: — Order! Will the member for Arm River kindly take his seat.

Mr. Danielson: — All right, that is a nice ruling, Mr. Speaker.

Mr. Speaker: — You will apologize for that.

Mr. Danielson: — I am not apologizing for that.

Mr. Speaker: — You will apologize for that. That is a reflection on the conduct of the Speaker, and I have had enough of it. You will either withdraw that remark, or else you will suffer the discipline.

Mr. Danielson: — All right, do your worst.

Mr. Speaker: — Is the hon. member prepared to withdraw that remark?

Mr. Danielson: — No, Mr. Speaker, I am not.

Mr. Speaker: — Then I may name the hon. member.

Mr. Danielson: — Mr. Speaker, this is exactly what I did. He brought my name into the discussion, and I asked for a point of privilege.

Mr. Speaker: — The point of privilege was taken by the member on a statement that was ascribed to himself by the Speaker. You are an intermediary and have no rights at all.

Mr. Tucker: — Just because it is the Opposition!

Government Member: — Who said that?

Mr. Tucker: — I do. I draw to your attention that the hon. member for Wilkie had the floor, and he said what he had understood the Hon. Minister to say. The Minister gets up and undertakes to correct him and intervene in the debate. Now, I submit, Mr. Speaker, that that was an unjustified intervention. It was not a question of privilege at all, and what he said was nothing more than to confirm what the hon. member for Wilkie had said; but in doing that he had to drag the hon. member for Arm River into it. Then the Hon. member for Arm River wanted to explain his position in the matter, and you said he could not do it. Now, we have pointed out over and over, Mr. Speaker, that if you are going to let one side intervene in debate and take time when another member is speaking, then you must apply the same rule equitably to both sides of the House.

Mr. Speaker: — The hon. member rose on a point of privilege on a statement that was directed to him as his statement, and I think under all the rules of the House, that when a statement is ascribed to a member, he can rise on a point of privilege and ask that that statement be corrected, and that is a matter between the member who is speaking and the member who rose on a point of privilege, and there is no intervention in between.

Mr. Horsman: — Well, Mr. Speaker, this kind of turtled things up a little, but I guess we can go ahead again now. I may have quoted the hon. gentleman wrong, perhaps I did; but that is what I understood him to say. But he said this also. He said: “All the Liberals ever had for the municipalities was the whip.” I wonder if he would deny that statement too!

I want to say, Mr. Speaker, that I do not think it becomes members of this Government to talk about anyone using the Whip. I do not think that any Government in the country ever had the reputation of using the Whip to the extent that this Government has.

Hon. Member: — Look at the Timber Board!

Mr. Horsman: — I am going to mention one or two things that affects the municipalities directly, and the hon. gentleman was Minister of Municipal Affairs, at this time at least, when votes were given to the tenant farmers in Saskatchewan allowed them to sit on the municipal councils and school boards, and everything like that. That was done against the wishes of the municipalities, as expressed at their conventions, and when the Public Revenue tax fund, Mr. Speaker, was transferred from the Department of Municipal Affairs to the Department of Highways, was that using the Whip? Who used the whip then on the municipalities? When large school units were established in this province by ministerial order, who used the whip then? And when the health regions were formed by ministerial order, who used the whip then? Who used the whip when the Fish Board was established in the north — when the Timber Board was established?

Mr. Lopton: — They used the whip on Ivanchuk!

Mr. Horsman: — I do not think it becomes the hon. gentleman to talk about anyone using the whip. Of course, the municipalities did have a very generous offer from the Government in 1947. The Government offered very generously to place a sales tax on farm fuels, purple gas and distillate, and things like that, and return the money to the municipalities in the form of equalization grants. But the municipalities did not bite on that one. They knew that they would pay the money in, but many of them doubted very much whether they would ever get anything back or not. They knew the money would come out of their own pockets. That would have been passed, had it not been for the resistance of municipal men all over the country.

Premier Douglas: — Mr. Speaker, on a point of privilege, my hon. friend must know that the Cronkite-Britnell-Jacobs Committee recommended exactly the same thing for the consideration . . .

March 27, 1952

Mr. Tucker: — Mr. Speaker, that is absolutely not a question of privilege. The Premier is right out of order there, Mr. Speaker, and I ask you to call him to order and tell him to sit down. That is not a question of privilege at all.

Mr. Speaker: — Will the hon. Leader of the Opposition let the conduct of this Chamber remain where it is supposed to be vested? We would get on a little better.

Mr. Horsman: — Well, I will try and keep off of these controversial subjects after this, but I want to return again to the Minister of Municipal Affairs . . .

Mr. Danielson: — You have never seen it — you have never seen it.

Mr. Speaker: — Order! Order! Let the hon. member proceed.

Mr. Horsman: — When he spoke the other day, I think if he had intended to act on any recommendation in regard to the appointment of this Commission, on any recommendation to the municipal association, I think he would have told us. All he told us was that the Commission would be composed of men of knowledge and ability, but he gave us no hint of who they might be and on whose recommendation the appointments would ultimately be made. I think he must have known by that time — this Bill has been before him for sometime; I think he must have known what procedure would be taken in connection with the appointment of this Commission, and I see no reason why he should not have taken the numbers of this Legislature into his confidence and told them how this was going to be done and on whose recommendation the appointments would ultimately be made.

I want to say that if some recognition is not given to the municipal associations, or to the recommendations that they may make in regard to the appointment of this Commission, there will be hard feelings and animosity right from the start between the municipalities and the province. That would be a bad situation. Municipal men in this country are doing a good job — most everybody admits that; they are men of honour and integrity and they know their business. And if this Commission is not composed of men in whom municipal men have confidence, I do not think the Commission will be of much use.

The Britnell report was referred to a moment ago. It tells you in there just how important the small municipalities are. I am going to read a paragraph from that report, Mr. Speaker, with your permission. On Page 21 of the Report, “Municipal Institutions in a Democracy”, it says:

“In a highly regarded work, Alexis de Tocqueville declared:

“Municipal institutions constitute the strength of free nations. Town-meetings are to liberty what primary schools are to science; they bring it within the people’s reach, they teach men how to use, and how to enjoy it. A nation may establish a system of free government, but without

municipal institutions, it cannot have the spirit of liberty.”

The Committee goes on to say this:

“With this statement your Committee is in complete agreement. It is assumed that the essence of democracy consists of the recognition of the individual, a recognition of his dignity, a recognition that one man is entitled to his opinion equally with another, regardless of the privilege of wealth or heredity. It seems obvious that democracy, so understood, can best flourish in the small political unit known as the municipality.”

They emphasized “the small political unit known as the municipality” —

“In the municipality the individual comes to be recognized in something the same manner as in a family. There is a close community of interest. People are close enough to their problem so that it is relatively easy for them to assume responsibility. It is part of the same phenomenon, moreover, that those in authority are close enough to the people to appreciate the needs and wants of the community and to hear the complaints of dissatisfied persons.

“It seems desirable, therefore, that provincial authorities, having a responsibility in law to municipal institutions, should lend every effort to the end that the local units of government should be in a position to discharge their functions. It is also desirable that these functions should be of considerable significance, if the spirit of democracy is to be maintained.”

In other words, any authority that the municipalities have should not be tampered with in any way, and it does emphasize that “democracy, so understood, can best flourish in the small political unit known as the municipality.”

Now, I believe, Mr. Speaker, that a Commission such as proposed here could be of great service, but I still say that the usefulness of this Commission will depend entirely on the personnel of the Commission, and I think it should be composed of men who are familiar with municipal work, and who understand the problems of municipalities. The value of the Commission will depend very largely on the members of which it is composed, and whether or not they have a free hand. If they are held down and told just exactly what to do, and are advised by another Board altogether, I think their usefulness would be pretty well nil.

March 27, 1952

I do not intend to oppose this motion, or this Bill on second reading, Mr. Speaker, but I would like to point out these various pertinent facts which I consider of importance in connection with this Bill.

Mr. Speaker: — I would like to suggest to the hon. members (I think I am correct) that on a Bill on second reading, you deal with the principle of the Bill. Many of the things that have been discussed in this debate, I think, would be much better discussed, and maybe amendments brought about by some of the members who have signified they would wish to do so when we go into Committee of the Whole. Now, I would ask that you more or less confine yourself to the principles of the Bill, which is the setting up of a Committee. The detail, I think, could be much better dealt with in Committee of the Whole.

Mr. R.A. McCarthy (Cannington): — Mr. Speaker, I have prepared a few notes here along certain lines, and I hope that you will allow me to proceed with them.

First, I want to congratulate the member for Wilkie on the fine presentation he made of this matter. In following that gentleman, I am afraid that perhaps I will say some of the things he said, but I will try not to repeat too much — I have some of the things in my notes which he brought out. However, there are some of these things which it will not hurt to repeat, because as he says, this is one, in my opinion, of the most important Bills to come before this House this year. The position of our municipalities is one of the most important problems that confronts our province, and anything that effects these municipalities is certainly important to us in this House and to the province as a whole. I do not think there is any other group of people that has the same responsibility, and the same grasp of the public problems that are confronting our people today as have the municipal men, both rural and urban.

I was going to quote here the portion of the Britnell report which the hon. member for Wilkie quoted, but I will omit that. I want to say that the municipal men of this province here rendered a great service to this province since it was formed. One has only to think of this province as it was in 1905 with no roads, bridges, churches, schools, telephones, power and all those things which we have today. One has only to go back to 1905 and think what it was then, and look at it as it is now and I think you will agree with me, Mr. Speaker, that a lot of those things — in fact, almost all of them — the municipal men had a very great part in building them up. For that reason I say again that the municipal men of this province, both urban and rural are, in my opinion, the most important men in the province, and have better grasp of the problems of the people than any other similar class of people.

Now, when I heard members opposite, as they do sometimes, decry the progress this province has made in the less than 50 years since we were set up, it rather annoys me. I wonder why they do it? — because, if they are doing it to gain any political advantage, I think they are making a mistake. I do not think there is any other place in the world, any comparable size of territory, that has made an advance comparable to what this province has made since the province was set up in 1905. In my opinion there is no place in the

world that is a better place to live than this province of ours is today.

Hon. Mr. Brockelbank: — That is true now.

Mr. McCarthy: — That is true, in spite of the fact that we have a C.C.F. Government in this province, Mr. Speaker; but I hope we will change that very shortly. There have been a great many changes, Mr. Speaker, in the set-up of municipalities since 1905. In the early days when the municipalities were first set up, it was quite a common thing for some farmer to take the books and keep them. The farmers went out and did what they called statutory labour; that is, they did a little work on the roads, and resident and non-resident ratepayers paid a little in the way of taxes (not very much) and that is about what the duties of the early municipalities consisted of.

It is a far cry today from what our municipalities were then, Mr. Speaker, with their problems, all their responsibilities, and so on. When we think of what they have to do, the amount of responsibility and number of problems which are on their hands today, and compare it with that of 50 years ago, it is almost unbelievable. These changes have taken place almost wholly by the consultation of the municipal men with the government of the day. On their recommendation certain things have been brought in, and certain changes made. They have accepted certain other responsibilities, but almost all of them were brought in by consultation; and we have gradually built ourselves up to where our municipalities today have an enormous responsibility, enormous problems, and an enormous job to do.

I think that is a proper way to build up our municipal institutions; that is, by consultation, talking the matter over, getting the government view and the municipal men's view. We have in that way built up a strong organization, and any government that puts duties or restrictions on the municipalities without consulting them or against their will, is not fulfilling the duties of a government. It should not be done that way.

There are a great many problems confronting our municipalities today owing to the rapid change in modes of transportation, and other duties that municipal men are called upon to perform. I believe, Mr. Speaker, that this Advisory Committee can be of great service in helping to solve some of these problems, if it is properly set up. I was surprised the other day to hear the Minister of Municipal Affairs say that these men were to be appointed by the Minister and responsible to the Minister. I do not think that is the proper set-up. I do not think it is the right thing to do, and I do not think that is the kind of a Commission that the municipal men expect they are getting. I believe this Commission should consist of five men. I believe we should have two from the rurals, as the hon. member from Wilkie said, and two from the urbans, and one appointed by the Government. They should be men of wide municipal experience, nominated by the municipalities, responsible to the municipalities — not a political appointment by the Minister and responsible to the Minister. I think that is the wrong system.

March 27, 1952

If we have a commission appointed by the Minister and responsible to the Minister, and surrounded by those so called “experts”, we are simply setting up another planning board, and goodness knows we have too many of those boards now. This board should be there because of their knowledge of municipal affairs and not because of their political affiliation. It should be a continuing board so that they could work with any government, irrespective of its political complexion. If we have a board of that kind, it could be of a great service to the government and the municipalities, and some of the matters that should be referred to this board are contained in this report.

I have here, Mr. Speaker, a report, an analysis, of the reaction of the rural municipalities to the recommendations contained in the report on Provincial-Municipal Relations for Submission to the Provincial Cabinet, July 30, 1951. This is a condensed report of the views of municipal men when they met in these conferences all over the province during the summer. I submit it to you — they say this should be submitted to the Advisory Committee; I submit it to you as a very important document. I was rather surprised, the other day, when the Minister of Municipal Affairs was delivering his address, and I want to compliment him on that address — he did a good job in his usual affable manner. But he picked up this report in his hand, and he said he had this report, and immediately he dropped it down and said he did not have time to read it. Well, I was rather surprised at that. I am going, with your permission, Mr. Speaker, to refer to this report.

This report, of course, is tied in with the Britnell report. They were discussing this report and saying that these things should be referred to the Advisory Committee.

“Recommendation No. 1 is endorsed and recommended to the Provincial Government for early implementation, subject to the understanding that the functions of the proposed Advisory Commission will be of a research and advisory nature, and subject also to the stipulation that the executive of the Saskatchewan Associated Rural Municipalities will, of course, be privileged to nominate a representative on the board or Commission either in an active or advisory capacity.”

Well now, Mr. Speaker, you notice Recommendation No. 1, there. I think probably they thought at that time the Commission was going to be one of three — they recommend one here; I think at that time they thought the Commission was going to be composed of three, but I still think it should be composed of five.

Now, the next paragraph says: (These paragraphs they are referring to here are paragraphs of recommendations in this book, and I am just going to tie them in. Recommendations 2, 3, 4, 9, 10 and 23, outlining some matters which might be dealt with by the proposed Commission. Now, Mr. Speaker, I propose to take those separately:

No. 2 says: "That such a Municipal Advisory Commission should be concerned at all times with the preservation and strengthening of municipal institutions as efficient governing units."

Well, I do not think we need refer that to a Committee really; I think that goes without saying.

No. 3 says: "That such a Municipal Advisory Committee should examine, in consultation and co-operation with the municipalities the possible re-organization of local units in order to ensure the efficient discharge of municipal functions."

Now, to me, Mr. Speaker, that is a very important section. As the member for Wilkie pointed out, when this Government came into office they were all going to set us up in larger units just like the schools, and the municipal men said "no" and they did not do it. But I want to say to the Government now that the kind thing they can do for the municipalities is to get out and say what they are going to do. The thought they still have in mind, that they are going to shove these municipalities into larger units, is doing a great deal of damage, and I will tell you why. We have in this province a number of municipalities that, in the past, have built up a sizeable reserve for a rainy day. They had good revenues and they built them up. I think that is sound policy. But, I know of difference instances where municipal men have told me: "Now, we are not too sure of what is going to happen to us. We are not too sure yet that we are not going to be shoved into these larger units." Consequently, they are spending their reserve, and the proper thing for this or any other government to do today, whoever is in power, is to say to the municipal men: "Here, we are not going to interfere with the municipal boundary except at your request, and you are not going to be shoved around without you have the privilege to say so."

Now I agree that there are probably isolated cases where municipalities might be rearranged to an advantage, and in those cases that is all right; but I would say that 95 per cent of the municipalities in this province should operate as is their right under the constitution, and I think they should be given the assurance that they are going to be able to operate that way. Now, that is all I am going to say about No. 3.

Premier Douglas: — If the hon. member wants that assurance, we will give it to him right now.

Mr. Speaker: — Order! Is the Hon. Premier asking a question?

Premier Douglas: — My hon. friend asked if we would give him the assurance, and I said we would give him that assurance now, if he wants it; that is all I was saying.

Mr. McCarthy: — Well, I just did not catch the exchange. No. 4 says this:

March 27, 1952

“That extension of the principle of equalization grants in any field should be made only after careful examination of all the relevant factors in each instance.”

Well, I think it goes without saying that equalization grants can run to a difficult problem. Now, equalization grants are all right up to a certain point, but you can go past the point where they function properly. If you carry these things too far, you are going to have municipalities become simply collecting agencies for schools and all the rest of it, and not going to have any say in the great majority of the funds they collect. They are getting in that state now; but I still say that equalization grants, in reason, are all right. Now, that is another thing that should be referred to.

No. 9 says: “That the Municipal Advisory Commission should explore the possibility of additional sources of revenue for municipalities.”

Well, that is quite in line with what all the municipal men realize; that the municipalities are continually carrying larger burdens, furnishing more efficient services, without a comparable addition to their source of revenue; I think probably this Advisory Commission, if it was set up properly with the proper men, could do something in regard to No. 9. I think that is a good field for them to operate in.

Now we come to No. 10 which has to do with education, and it says:

“The Municipal Advisory Commission should examine the present division of financial and administrative responsibility among local authorities for education.”

Well now, that is a burning question with the rural municipalities today. I think it is a pretty well-recognized theory that the people who collect taxes should have some say in the spending of these taxes; and while it is true we did not have probably on the books, supervision over the old schools, nevertheless it was all close to us, and we did exercise some supervision indirectly over them. But today, our larger school units send us a requisition; we simply collect it and send it to this unit. The men who are spending this money have no responsibility for the collection of it; so I think that is a very, very sound recommendation. I am going to read it to you again:

“The Municipal Advisory Commission should examine the present division of financial and administrative responsibility among local authorities for education.”

I think that is a wonderful field for this Commission to work in, if it is properly set up and properly constituted.

Now, Recommendation No. 5 is endorsed and it recommends to the Provincial Government implementation “at the earliest possible date.”

The Saskatchewan Association of Rural Municipalities has consistently advocated the withdrawal of the Provincial Government from the field of real property taxation, and fully concurs in recommendation No. 5 of this report, which says:

“That The Public Revenues Act, R.R.S., 1940, C.49 be repealed, and that as a matter of policy the Real Property tax field be considered henceforth as belonging exclusively to the Municipalities.”

Well, I do not think they need any Advisory Commission to tell them that. I think they have been told that for years. They were told it definitely up at Saskatoon the other day, but for some reason or other they do not seem to take cognizance of what the municipal men say.

It is rather significant that the report of this Committee is almost word for word what the municipal men have been recommending for years, and I do not know whether I should take the time to read you the full report of that, but I think I will. It is very interesting. In this Britnell report on the abolition of the Public Revenue Tax, they draw these conclusions:

“The tax on Real Property appears likely to continue as a major source of revenue for most of the municipalities in Saskatchewan, as indeed, in other provinces of Canada. This holds true for the United States as well.

“Your Committee is not in a position to say that the tax on real property is the best possible tax, but it is clearly a very useful form of taxation. From the administrative point of view it is an excellent tax: the asset cannot be removed and the technique of collection is simplicity itself. On the whole it must also be classed as a moderately progressive tax, for landowners commonly have some wealth” . . . (now that is not always true, but that is what they say here) . . . “even though the burden of the imposition of the tax on small home owners may become onerous.

“Although the real property tax is a good form of taxation, it may be overdone. It is overdone when it discourages home building or the development of a locality. Yet there is no evidence that this is occurring in Saskatchewan at the present time.” (I want you to note this) “It could, however, readily occur in the event of a recession or if the tax level were substantially raised.”

Now that is what the Commission says about it. That was quoted in the House before, but it was not quoted in its entirety. I think they are on sound ground there. There are a great many municipal men in this House who think

March 27, 1952

back to the 'thirties when in my own municipality for example, almost one-third of every municipality reverted to the municipality in tax sale. The total tax mill rate for all purposes in that municipality (and I am speaking from memory now) was very little over what we are collecting for schools today. I am not saying that it is, but it is very close to it; it lands right about there. We have today a 22-mill rate for schools, and we have all the other mill rates added to it, so that when they say here that a small recession could make this land tax as bad, I think they are on sound ground. That is all I am going to say about No. 5.

Now, Nos. 6 and 7 have to do with taxation.

“Recommendations 6 and 7 are endorsed, and recommends to the Provincial Government for consideration and with the inclusion of the words ‘land’ after the words ‘government agencies’ in the 3rd line, recommends that taxation on companies and agencies be considered sound in principle and the inclusion of ‘land’ suggested being more equal to the general business of rural municipalities.”

Well, I think the Government has implemented that to quite an extent, but I want to point out what I pointed out in the Committee the other day; that if you adopt this principle, in order to be consistent you should also take in the agricultural lands — I am not talking about the sub-marginal lands you have; but you should also take into consideration the agricultural lands which have come into your possession that were formerly on the tax roll of the municipality, because those lands were formerly on the tax roll, and now that they are vested in the Crown you have put them in a preferred position. The only recourse the municipalities have is to the man who is down there for two or three years and has some hard luck and walks off, well, the municipality simply has to absorb that burden of taxation by putting it on the other taxpayers. So if you adopt the principle that you should pay taxes (and I think you should) on these commercial enterprises, you should also adopt the principle that you are going to pay taxes on these cultivatable lands that have come into your possession, and in that way have been taken off the tax rolls. Now, that is all I am going to say on that.

No. 8 is a recommendation with regard to assessments, and has to do with urban and rural. It is pretty self-evident; I am not going to make any comments on it at the moment. We come now to San. levies, and that is:

“Recommendation 11 is endorsed with the further request that in the event of Sanatoria operating costs continuing to rise, patient day grants be maintained in future at a level equivalent to and not less than the proportion which the \$2 per patient day for the full calendar year 1951 would bear to the operating costs of a T.B. Sanatorium for that year. This request is based on estimated operating costs of \$6 per patient day for year 1951.”

Well now, I think that the Government has probably implemented that fairly well. Previous Governments did assume one-third of the cost; but when the operating costs of the San. increased, this Government did not assume one-third share of its costs for a number of years. Only last year did it get back to paying one-third of the share of the cost. Thus, for a number of years this Government put an unfair burden on the municipalities with regard to these Sanatoria levies.

Now, the next recommendation here is No. 12 and it says:

“The Provincial Government should consider assumption of full financial responsibility for neglected and dependent children when the fiscal position of the province will permit.”

That is what the Report says, and this is what the municipal men had to say about that:

“Recommendation No. 12 is endorsed and recommended to the Provincial Government for implementation at the next session of Saskatchewan legislature. It is contended that unequal distribution of the neglected and dependent children among the municipalities render even the present municipal share of such costs an excessive burden on certain municipalities; and the rights of recovery of costs from parents or estates of neglected or dependent children are reserved by the Province to the exclusion of the municipalities. It is submitted, therefore, that early action on this recommendation would be most desirable.”

Well now, I have had a little experience with some of those things, and that is a problem in the municipalities. It is a very difficult problem, and I think that it is something that merits a lot of thought, and I think that the municipal men are very wise to recommend that to the consideration of this Board.

Now, “Social Aid” — 12 was under the heading of “General Welfare”; the next one is under the heading of “Social Aid”, and it goes on to say:

“Endorsement of 14 is withheld and further study of the Provincial Government of the whole problem of Social Aid is requested, with particular attention to means of relieving the municipalities entirely of the responsibility for minority groups such as Metis and Mennonites, and of assisting and encouraging them to become established on a self-supporting basis.

“It is suggested also that consideration be given to the modification of resident regulations

March 27, 1952

governing Social Aid cases with a view to relieving the municipalities of original residence from continual responsibility for social aid cases that have removed to another municipality or province.”

Well now, I think we all know that certain municipalities have a real problem. This is not a general problem; but it is a real problem with certain individual municipalities, and in some cases those municipalities that have this very bad problem are low assessed municipalities, and it is certainly an unfair burden to ask the other people in those low-assessment municipalities to assume the responsibility for that class of persons.

Now the next one has to do with highways — No. 15, and it recommends:

“That the Province continue responsibility for the present highway system and highway construction programme.”

Well, I rather smiled when I read that one, because I did not think anybody doubted that that was the provincial responsibility. Certainly as far as I have ever been able to find out it is a responsibility of the province.

Now, we come to Equalization Grants: No. 16 is endorsed:

“Some understanding of the present, or some similar equalization formula will be continued for the determining of special aids subject also to the request that means be sought for substantially increasing the amount made available annually for distribution to the municipalities under the equalization formula.

“The present equalization formula appears to place a most satisfactory method of distribution of road grants that has yet been designed, but there is evidence of a strong sentiment in favour of a greater recognition of the importance of municipal roads to the province generally, with correspondently larger appropriations for assistance to municipalities in this respect.”

Well, now, Mr. Speaker, I just want to say that I think all municipal men are agreed that the formula of this equalization grant is correct. I believe it is an improvement over anything we ever had, but I am not so sure about the source of money used in the past by this Government to pay those grants. As you know, the previous Government left \$1,260,000 in a suspense account for adjusting assessments. In 1947-48, this Government started transferring money from this account to the Consolidated Account to pay these equalization grants. They have been using this approximately \$1¾ million, left by the previous Government for another purpose, to pay

equalization grants ever since. It has all been used up now — I think there is approximately \$200,000 left in the fund; but this Government will (if it is here very much longer) have to see some of the money collected by themselves to pay for these things from now on. They will have to use some of the money collected by themselves to pay for these equalization grants. The Government has given the impression all over the province that they were making a big name for themselves by paying this out of revenue, or paying it by themselves, when it was actually coming from a fund that was left here by a previous government for an entirely different purpose. That is all I am going to say about that equalization fund, Mr. Speaker.

Mr. Speaker, you will recall that when we were in Committee, the other night, I read this portion of this thing on bridges. I do not want altogether to repeat myself, but I do just want to say that my information is that every one of these meetings where these rural men met, they told this Government in no uncertain terms that their bridge policy was absolutely no good, that it did not cover the situation at all.

Mr. Kuziak (Canora): — Yours was rotten!

Mr. McCarthy: — Well, that is all right! Yours was worse than that!

Mr. Speaker: — Order! Order!

Mr. McCarthy: — I want to say this, Mr. Speaker, and I want to say it in all sincerity, because I am very interested in this thing; it affects my portion of the province probably more than it does any portion of this province — this, and the northeast. I want to say that two or three years ago the Government came out with a policy where they were going to pay 50 per cent of these things, and then they only constructed 44. I can go all through my constituency, and go into municipal offices and find letters that run something like this: “We know your bridges are necessary, but owing to the fact that there was not sufficient money appropriated, we cannot do anything about it.” Now, they not only try to shoulder some more responsibility on to the municipality, but they also did not carry out the agreement they made to pay 50 per cent of the bridges, and I would suggest . . .

Mr. Speaker: — I would bring to the hon. member’s attention that we have departed a long, long way from the principle of this Bill.

Mr. McCarthy: — I am just through, Mr. Speaker; I thank you for your indulgence. I realize I was a little off the base once in a while, but I do want to say in conclusion that this government knows the situation of these bridges. They had it pointed out to them very clearly this summer, and I do hope that they will — they tell us they are going to bring down a policy but they have not done it yet; but when they do, I hope that they will appropriate sufficient money to do something about these bridges. We have 2100 of them, and half of them you cannot drive over today. If this Government stays in office another 10 years we will not have a bridge we can travel over, because they only built 44 last year.

March 27, 1952

Now, Mr. Speaker, I am about to conclude, and I just want to say what I said at the start; municipal government in this province is one of the most important functions in the province, and if this Advisory Commission can be of any assistance to them (and I think they can providing they are properly set up under the proper system and with the proper personnel), I will support this motion.

Mr. H.J. Maher (The Battlefords): — Mr. Speaker, it is not my intention to speak very long on this particular motion. I feel that the member for Wilkie and my seat-mate here have done it justice already. However, I would just like to refer to one part of the Minister's speech when he was presenting the Bill on Friday, March 21, and if I can be permitted to read a portion of it, I would appreciate it very much. He says in part:

“Section 3 states that municipality means city, town, village or rural municipality.”

“I notice this assembly, Mr. Speaker, is very conscious of rural municipal governments, and their problems, and I might draw to the attention of this Assembly that we have many towns in the province of Saskatchewan; we have a good many villages in the province of Saskatchewan whereby the municipal governments are experiencing some difficulty in meeting the wishes of the ratepayers within the field of municipal government.

“There is the odd city . . .”

(and this is the part I am concerned with, Mr. Speaker)

“. . . in our province that is also meeting with some difficulty and faced with some problems. However, in the main, the cities are so staffed that they themselves can reasonably take care of the municipal problems; the economics of municipal administration within the framework of their own municipality and their employees.”

I very heartily agree with what the Minister has said. I feel quite sure that members on both sides of this House and the rural municipalities have put forth the problems that the rural municipalities have, with reference to this Commission, much better than I can. I agree very heartily with him on his statement with regard to villages and towns. They have a lot of problems. I was pleased to see that they are considering it. I think a lot of these smaller towns today, particularly when they are on highways, are having some difficulty, and any assistance that this Commission can give, I know, will be appreciated. But now he says, “In the main the cities are staffed so they themselves can reasonably take care of municipal problems.” Well, that might

be so, Mr. Speaker, but I do not think we should minimize the problems that are facing city councils, particularly in the smaller cities, like Swift Current, Yorkton, Weyburn, and North Battleford. I had the privilege of serving on the city council of North Battleford for some time, and we had a lot of problems there trying to find finance for capital projects, housing shortages. We have heard a lot about housing, and I hope that this Commission will at no time neglect the problems of our smaller cities particularly, and our towns and villages.

I am not suggesting they should neglect the rural municipalities in favour of that, but I sincerely hope the Minister will clarify for me this particular point. I will support the motion, Mr. Speaker.

Mr. A.G. Kuziak (Canora): — Mr. Speaker, I beg leave to adjourn the debate.

(Debate adjourned)

The Assembly adjourned at 10:55 o'clock p.m.