

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

## Second Session — Twelfth Legislature

5th Day

Wednesday, February 17, 1954

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

### DEBATE ON ADDRESS-IN-REPLY

The House resumed, from Tuesday, February 16, 1954, the adjourned debate on the proposed motion of Mr. Wooff for the Address in Reply to the Speech from the Throne.

**Hon. T.C. Douglas (Premier):** — Mr. Speaker, in rising to take part in the first debate of this Session, I would like to extend my most sincere congratulations to the new members who have taken their seats in this Assembly — Mr. Carr, the new member for Rosthern; and Mr. Kohaly, the new member for Souris-Estevan. They are both following men of high capabilities. I am sure both of them will try, and will be successful, in being worthy successors to the men whose places they have taken.

I would like to extend my congratulations to the mover and seconder, who did an excellent job of moving and seconding the motion for the Address in Reply to the Speech from the Throne. I feel that both Mr. Wooff, the member for Turtleford and Mr. Harry Gibbs, the member for Swift Current, did credit not only to themselves but to the constituencies which they represent.

I would also like to extend my congratulations to the Leader of the Opposition on the very high honour which has been conferred upon him by his colleagues who have selected him as the Leader of the Opposition in this Assembly. In our democratic form of government the Opposition has a most important and vital part to play. Being Leader of the Opposition entails very heavy and onerous responsibilities. I would like to say to the Leader of the Opposition that the members of the Government, and I am sure all members of the House, will be glad to co-operate with him in every way that we can to help him in the discharge of the heavy duties which he has now assumed.

I am sure my honourable friend, the Leader of the Opposition, will not expect me to follow him all over the field which he traversed yesterday. However, I would like to set his mind at ease at the very outset by telling him that the story which he heard about the C.C.F. being in league with Dr. Haldeman and making a deal in the 1948 election is pure and unadulterated fiction. I can assure my honourable friend and the people of this province that the C.C.F. have never had a deal with the Social Credit party in the 1948 election or in any other election.

My friend spent considerable time yesterday going over newspaper reports of what I had said at various times and in various places. I have absolutely no objection to the quoting of statements that I made as reported in the press. But I would like to say to my honourable friend that the statements I have made have been received a little more kindly by

the press than some of the ones which he has had the misfortune to make more recently. I notice that when he spoke at Swift Current and said that my statements about the large surplus of wheat in Canada had resulted in a drop of five cents a bushel in the price of wheat, the Rosetown Eagle (which is hardly noted for being a C.C.F. newspaper) described this statement as “the silliest explanation of the year.” When my friend was asked by the press to comment on Mr. Blackmore’s proposal to set up a Royal Commission to investigate communism, he suggested that the best way to get rid of communists was to dissolve the C.C.F. party. I notice that the Saskatoon Star-Phoenix (also not noted for being a C.C.F. paper) described this statement as “fatuous and downright stupid.” My friend hasn’t done too well on press statements! I was intrigued with one part of the statement of my honourable friend. He is reported to have said: “We never had any communists in this province until the C.C.F. party was formed in 1933. Since that time, communism has become very popular, for communism is right here in Saskatchewan.” I couldn’t help but compare that with a statement which the honourable member made in this Chamber some years ago when he said that the communists had started the Wheat Pool. I find it very difficult to understand how the communists could have started the Wheat Pool in the early 1920’s if there weren’t any communists here prior to 1933 when the C.C.F. was formed.

**Mr. Loptson (Leader of the Opposition):** — There weren’t very many then — there were some.

**Premier Douglas:** — The main burden of the speech given by the Leader of the Opposition yesterday was to suggest that the government should appoint a judicial commission to re-investigate the charges contained in a so-called affidavit drawn up by Mr. J.O. Rawluk. Mr. Speaker, I hardly need remind the members of this House . . .

**Mr. Loptson:** — Mr. Speaker, on a point of order, it has never been suggested that there be another trial of the Rawluk case — but just a perusal of the evidence that is already on file.

**Premier Douglas:** — Whether my honourable friend had in mind a trial or not, I would suggest that once a judicial commission were set up, it would reserve the right to call witnesses if it saw fit. No one could deny it that right. I want to remind the House, Mr. Speaker, that it was the Opposition who made the choice as to how the Rawluk charges should be investigated. They had the so-called affidavit as early as June, 1952; they had eight or nine months in which to decide how they wanted these charges investigated. They made their selection. They wanted an investigation by a committee of this House. It was Mr. Tucker, then the Leader of the Opposition, who drafted the motion calling for such an investigation. As a matter of fact, had he followed proper procedure and come into this House, which is where the motion should have been made, we would have had an opportunity of suggesting at that time that the investigation could be carried out either by a judicial commission or a Royal Commission. But the Opposition decided that they did not want an investigation by a judicial commission or a Royal Commission but an investigation by a committee of the Saskatchewan Legislature. When Mr. Tucker moved that motion, my colleague, the Provincial Treasurer, seconded the motion. As a consequence, we had a five-week investigation conducted by a committee of this House. That was the decision of the Opposition. It was the decision of the entire Committee. I want to draw attention to the fact, Mr. Speaker, that the members of this House were much more willing to allow a legislative

inquiry into the Rawluk charges than were the members of the Federal Parliament to investigate the charges of “kiting” cheques, of which Mr. Dewar was accused in Ottawa over a year ago. There was no parliamentary inquiry, no judicial commission, no Royal Commission. The Federal government used its great majority in the House to prevent any investigation at all. Here we said, “If you want an investigation by a committee, you may have it,” and the investigation went on through five long weeks. The majority of the committee found that the charges were completely without foundation and that Mr. Rawluk, who made the charges, was both irresponsible and unreliable. Now my friends do not agree with the findings of the majority of the committee. That, of course, is their privilege. But I want to suggest that even if we set up a judicial commission they wouldn’t be satisfied with that report either, unless they thought that it would do some damage to someone on this side of the House.

**Mr. Danielson (Arm River):** — How do you know?

**Premier Douglas:** — Then there would be the suggestion that we should have a Royal Commission. We would go on ad finitum. Mr. Speaker, I say that a committee of this House investigated the charges; that the majority of the committee came to the conclusion that the charges were not substantiated; and that the main witness was completely discredited and unreliable. The responsibility for any further action lies with those who do not agree with the decision of the majority of the committee. If the members opposite want a further investigation, they have the remedy in their own hands. There is nothing to prevent them or Mr. Rawluk or any of those associated with him from commencing a civil suit under Sections 13 and 16 of the Legislative Assembly Act. If the Provincial Treasurer is sitting in this House illegally, he can be fined \$100 per day for every day he has sat here illegally. The Act further states that one-half of the fine will go to those who commence the action. There is an excellent opportunity for somebody to make a lot of money. The fact is, Mr. Speaker, that the Opposition themselves do not believe these charges. They are vainly striving to keep this matter alive because really they have nothing else to talk about.

When this matter was being discussed last year, it was said the highest tribunal in the land was the court of public opinion. I agree with that. But my friends opposite just will not learn that simple lesson. In the session of 1951, and again in the session of 1952, we sat here day after day listening to veiled charges and insinuations about oil permits and mineral permits and about a Mr. Rubbra and Mr. Hershorn. In the election of 1952 from every public platform and over every radio these veiled charges were tossed about. We went to the court of public opinion. The Liberal party went into that election with 21 seats and came out with 11. Now they are down to 10. In 1953, not yet satisfied, they trotted out Mr. Rawluk, and we went through that long investigation. On August 10th last, we went once more to the court of public opinion. The Liberals went into that election with 14 seats and came out with 5. One would think, Mr. Speaker, that the Opposition would learn that dirt does not pay. One would think they would have learned by this time that the public of Saskatchewan expect their elected representatives to devote their attention to some of the great constructive issues and to help to solve some of the fundamental problems that confront the people of this province.

**February 17, 1954**

My friend yesterday read extensively from an editorial written by the publisher of the Yorkton Enterprise. Well, he represents only one man's point of view. Here is an editorial which appears in the Grenfell Sun of April 23, 1953. I think it represents the point of view of a lot of people. The last part of the editorial says this:

“It is generally recognized that Mr. Fines has done a very efficient job of handling the finances of this province. It is a crying shame that such a man should have his name dragged through the mire, and be asked to prove that he did not, on any day during two summer months, accept \$100 or \$200 from a man in a purple coat, on Eleventh Avenue. No specific day was mentioned in the charge, to allow the accused to present an alibi.

“One would not need to be of the same political stripe as Mr. Fines, if one possessed an ounce of fairness in one's makeup, to feel that the onus of proof should be on the one making such a vague accusation.

“To fair minded people, Mr. Fines stands absolved, and let us hope that in the weeks ahead Saskatchewan may get back to normal, after weeks of crawling in the gutter.”

My friends opposite want to get back to the gutter. I do not think the majority of the people of Saskatchewan are desirous of going with them. I had hoped, Mr. Speaker, after the painful lessons of the election of 1952 and the election of 1953 that my friends opposite would have realized that the people of this province would like us in this Legislature to come to grips with the real problems, rather than spend time trying to undermine the character and the good name of our colleagues. I do not propose to spend any more time dealing with that question but shall go on to what I think are much more important issues facing the people of Saskatchewan.

Mr. Speaker, this province is passing through exciting and historic days. Sometimes we are told by those who do not agree with the government in office that Saskatchewan has “missed the boat” insofar as the prosperity which is present in the rest of Canada is concerned. I quote now from an extract in an editorial in the Toronto Saturday Night of January 16th, 1954. The editor of this newspaper (which is frankly Liberal), in commenting on Saskatchewan, says this:

“... (Saskatchewan) has failed to share as fully in the post-war boom as most of the rest of Canada — not enough to reverse the downward trend in the population of Saskatchewan, which dropped from 895,922 in 1941 to 831,728 in 1951.”

Mr. Speaker, in the first place, I would suggest that population is not necessarily any certain sign of prosperity. But let us deal with the question of population because it has been a political football in this province for a long time. The fact is (and we might as well face

it frankly) that we have been losing population in Saskatchewan ever since 1936. We have been losing population for two reasons. Firstly, the mechanization of agriculture has made it possible to produce more food with less manpower. Secondly, we have lacked industrial employment opportunities and consequently those looking for jobs have often had to go elsewhere. The census shows that we were at our peak in 1936. Our population then was 931, 547. From 1936 to 1941 we dropped 35,555, plus our natural increase. From 1941 to 1946 we dropped 63,304, plus our natural increase. The largest drop in population was from 1936 to 1946.

There is a very excellent article which appears in the November 1953 issue of the Canadian Journal of Economics and Political Science. It is called "Perspective on Change in the Prairie Economy." It was written by Professor G.E. Britnell, head of the Department of Economics, University of Saskatchewan. I shall be referring to this article from time to time. It was written by a man who is a recognized authority on the prairie economy. This is what Professor Britnell says on page 451:

"The attraction exerted by more favoured areas with higher rates of industrial development was reflected in the population loss for the prairies between 1941 and 1951 of more than a quarter of a million persons to which Saskatchewan contributed 200,000, Manitoba 60,000, and Alberta only 7,000. By far the greater part of this migration out of the area took place between 1941 and 1946."

We lost nearly 200,000 people, most of them before 1946. The census figures show that from 1946 to 1951 we lost less than a thousand — 960 to be exact — plus, of course, our natural increase. From 1951 to 1952 the Dominion Bureau of Statistics estimates show that our population went up 11,000. But that was not enough to offset the natural increase. Actually we still lost a little population because we did not retain more than 72 per cent of our natural increase. But from 1952 to 1953 our population went up 18,000, which was more than enough to offset our natural increase. In other words, from 1952 to 1953 we retained our natural increase plus 1,666 additional. From 1951 to 1953, according to the D.B.S. estimate, our population went up 3.48 per cent.

That is not large, but I point out, Mr. Speaker, that it is the first time in almost twenty years that we have reserved the trend. We have not only retained our natural increase but have had a slight influx into the province. No person can say whether or not that will be a permanent trend. It will depend very largely on whether the mechanization of agriculture continues to displace manpower. It will also depend on the speed with which we can develop our other resources in order to provide employment.

Mr. Speaker, I contend that population is not necessarily a criterion of prosperity. Whether or not Saskatchewan has shared in the prosperity of Canada can only be measured by our wealth production in relation to the rest of Canada. Here we have a most amazing situation. The gross value of production in Saskatchewan in 1945 was \$568,000,000; in 1949 it was \$950,000,000; in 1952 — the last year for which we have figures — it was \$1,400,000,000. If we take personal income, what do we find? Personal income in 1945 in this province was \$541,000,000; by 1949

**February 17, 1954**

it had gone up to \$832,000,000; by 1952 it had gone up to \$1,182,000,000. If we take the personal income on a per capita basis, this is what we find. In 1945 our per capita income (that is, the income for every man, woman and child in the province) was \$649. It should be remembered, Mr. Speaker, that that \$649 was 15 per cent less than the average per capita income across Canada. By 1949 our per capita income had gone up to \$1,000 or 5 per cent above the national average. And in 1952 our per capita income was \$1,402, or 18.5 per cent above the average for all of Canada. As a matter of fact, in 1952 we came within 1 per cent of having the highest per capita income within the Dominion of Canada. The per capital income of Ontario that year was \$1,408; Saskatchewan was \$1,402 — only six dollars less; British Columbia was \$1,372; Alberta (about which so much is spoken) was \$1,290; Manitoba was \$1,145; and Quebec was \$972.

We acknowledge very readily that this phenomenal increase in personal income and in gross production is due to the fact that we had good crops and relatively stable prices for cereal grain. If one looks at the cash farm income, one can see how it has grown. In 1950 our cash farm income was \$408,000,000; in 1951 it had gone up to \$631,000,000; in 1952 it had gone up to \$698,000,000; and in 1953 it had gone up to \$711,000,000. It is significant that the cash farm income for Canada in 1953 was 4 per cent below 1952 and 5 per cent below 1951. Only Saskatchewan and Nova Scotia in all of Canada had a higher agricultural income in 1953 than in 1952. As a matter of fact, in 1953 Saskatchewan had the highest per farm income in Canada. The national average cash income per farm (i.e. the total farm income divided by the number of farms) was \$4,293. In Saskatchewan the cash income per farm was \$6,351; Alberta was \$5,787; Ontario — \$4,617; Manitoba — \$4,158; British Columbia — \$3,807; and Quebec — \$2,701.

Yesterday the Leader of the Opposition asked how it was that we kept talking about the huge agricultural income and at the same time kept pointing out that there were serious dangers in the agricultural economy. Mr. Speaker, it is not difficult to understand that. The figures that I have just quoted are due to the fact that in 1952 and 1953 we had very large quantities of wheat and coarse grain and other farm products for sale. The high income was due to the volume rather than to the prices which were being obtained. As a matter of fact, because farm costs have been going up to a greater extent than prices have been going up (and in some cases prices were actually going down) the net return to the farmers in recent years has been considerably less. That is, it was costing him more to grow a bushel of wheat and to raise hogs or steers. After paying his expenses, the amount he has left for himself has been relatively less.

Again I will refer to the article by Professor Britnell to which I have already made reference. On page 444 of the Canadian Journal of Economics and Political Science, Professor Britnell says:

“Since August, 1945, the price of No. 1 Northern wheat to the producer, basis in store at Fort William — Port Arthur, has moved within the narrow limits of \$1,833 to \$1,855 per bushel, yet between August 1945 and August 1952, the composite index of western farm costs rose 87 points, from 141.5 to 228.6, and the important

farm equipment and materials group rose 90 points, from 123.2 to 213.2 — representing a decline of approximately 40 per cent in the purchasing power of a bushel of prairie wheat.”

As Professor Britnell stated, from 1945 to 1952 we had a decline of approximately 40 per cent in the purchasing power of a bushel of wheat. We are glad that the agricultural income is up. However, any person would be blind who failed to recognize that if the farmer's costs of production are going up, his net return is bound to be affected. One must also recognize the storm signals on the horizon. One has to recognize that our overseas markets for farm products have been declining. One has to recognize that in the first five months of this crop year our sale of wheat for consumption outside of Canada has dropped by about 30 per cent. One has to recognize that there are tremendous stores of wheat in elevators and on the farms. While I agree that the wheat on the farm is an insurance against future crop failure, that wheat also represents an investment. The farmer has spent money growing that wheat and putting it in the granary; and his debts have to be paid even though he cannot realize any cash on that wheat.

One has to recognize, too, if one is looking at the agricultural situation, that the drop in the price of cattle and the large surpluses which are indicated dictate the necessity for some adequate marketing plan for livestock and livestock products. The yearly weighted average prices per cwt. for hogs (dressed) in 1951 was \$30.85; 1953 — \$27.82; for cattle (all grades) in 1951 — \$27.40; 1953 — \$14.70, or almost half. For sheep and lambs (all grades) in 1951 — \$28.61; 1953 — \$17.02.

Therefore, Mr. Speaker, we contend that while we have had buoyant revenues as a result of the favourable climatic conditions, any government, provincial or federal, which fails to recognize the danger signals would be derelict in its duties.

Some of my honourable friends may say, “Well, we know, of course, that agricultural income is up, but Saskatchewan has ‘missed the boat’ in business activity.” I ask my honourable friends to look at the business activity in this province. In 1944 there were 78 companies incorporated with a capitalization of \$2,895,000; in 1949 there were 155 companies with a capitalization of \$23,199,000; in 1953 there were 346 companies incorporated with a capitalization of \$36,962,000 — more than four times as many companies with eight times the capitalization. I would point out that the total assessment of land and improvements in this province in the last five years has gone up by \$115,000,000. I would point out that there are signs of increasing industrial development. Reference has been made in the Speech from the Throne to the pulp and potash agreements. These agreements will be tabled and discussed at greater length by the Minister of Mineral and Natural Resources. The pulp agreement is the first definite indication we have of a pulp industry. If the company with whom the agreement has been signed takes up the option, as it must before September 30th of this year, then a plant must be started before June 1st, 1955, with an expenditure of not less than \$5,000,000. We have every reason to believe it will be much more.

**February 17, 1954**

The same is true of the potash agreement. A company has come in and is doing serious work. By May 1st, 1956 it will be required under the agreement, if it takes up the option, to put down a shaft.

I am not going to go into the report of the Industrial Development Office now. That will come up later in the Session. But in almost every city of the province small industries have been coming up, such as the Canaday plant in Moose Jaw for the making of men's slacks, coats and uniforms; the Panther Oil and Grease Company, also in Moose Jaw; in the city of Saskatoon, a company for the making of land packers and another company for the making of building materials and concrete blocks; in the city of Prince Albert, the large extension of the Northern Wood Preservers Plant. We have just made the final arrangements with reference to currency exchange for a German firm to come in and open up a furniture factory in Prince Albert. The Royalite Refinery was built last year at Coleville. In the city of Regina, announcement has been made with reference to the \$2,000,000 Ford warehouse and more recently an announcement has been made with reference to the Pioneer Electric Company, which will manufacture transformers in this city. With reference to that announcement, I was interested in an editorial which appeared in the Grenfell Sun of February 11th, 1954. After commenting on the construction of this new plant to manufacture generators, the editor says:

“This new industry, together with the millions currently being spent in oil developments by outside interests as well as other large scale investments, should assist in dispelling the old bogey of complete socialization as waved over the heads of the blissfully ignorant by those more vocal but equally ill-informed.”

As a matter of fact, Mr. Speaker, the best indication of the business activity taking place in the province of Saskatchewan is to be found in the little booklet put out by the Department of Trade and Commerce called “Public and Private Investments in Canada.” That little booklet shows that the amount of capital invested in Saskatchewan in 1948 was \$243,300,000; 1950 — \$346,000,000; 1952 — \$391,300,000; 1953 (preliminary estimate) — \$424,100,000; 1953 (revised estimate) — \$458,000,000 or 8 per cent higher than the preliminary estimate. In other words, in the period from 1948 to 1953 there has been invested in Saskatchewan the staggering figure of \$2,109,700,000. The interesting thing is that investment in Canada from 1952 to 1953 went up 6 per cent but investment in Saskatchewan from 1952 to 1953 went up 10 per cent. That hardly looks at though the prosperity of Canada is passing us by.

Again I refer to the article by Professor Britnell, page 450. After examining the table to which I have just referred, this is what Professor Britnell has to say:

“Thus over the five year period, annual capital expenditures exactly doubled in Alberta, increased by 71 per cent in Saskatchewan, but by only 21 per cent in Manitoba, as compared with 61 per cent for the whole country.”

I ask the members to examine that. The total investment in Canada from 1948 to 1953 went up by 61 per cent but in Saskatchewan it went up by



71 per cent, or ten points higher than the national average. If one needed any clinching argument, I refer you to the Monetary Times, The Annual Revue, 1954, which I received on my desk this morning. I saw an advertisement on page 108, and since the word “Saskatchewan” was in it, it instantly caught my eye. This is what it says:

“FINANCIALLY SASKATCHEWAN IS STRONGER THAN EVER BEFORE!

“In wheat production . . . in oil, uranium and base metals . . . in lumbering . . . in retail sales . . . in savings . . . indices are climbing to new heights, to make Saskatchewan the ‘Utopia’ of business enterprise. Definitely money grows from the ground up in this Province . . .”

When I read that I thought of my friend from Arm River (Mr. Danielson) and I thought that this must have been put in by one of the “propaganda agencies” of the Saskatchewan Government. So I looked at it again and found it was inserted by the Saskatoon Star Phoenix and the Regina Leader Post!

**Mr. Loptson:** — That was contradicting the treasurer.

**Premier Douglas:** — Mr. Speaker, I think any person who will examine the facts that I have placed before the House will admit that there has been a tremendous upsurge of economic development and production in this province. In the first speech which I made in this House back in 1944, I indicated that it would be the policy of this government to have development take place along three lines — development through private capital and private companies; development through the co-operative movement; and development through public ownership and public utilities.

I would like to take just a few minutes to draw the attention of the House to the contribution which each of these forms of enterprise has made to the development I have been outlined. Let me first of all deal with the part played by private industry in Saskatchewan’s development. Let us take the oil and gas development of the province. I need not go into this in detail because it is in the press almost every day. But the best indication of the interest of private companies in Saskatchewan’s oil and gas potential is the amount of money which they have been investing. In 1951 they spent \$18,000,000 in exploration and development; in 1952 they spent \$31,000,000; in 1953 they spent \$52,000,000; and the estimate is, on work already committed, that they will probably spend in excess of \$68,000,000 this year. That means that in a four year period there will have been spent in this province in the search for oil and the development of oil and gas wells a total of \$169,000,000. The returns have been worth while. In 1952, 477 wells were drilled — last year 674. Examine the facts on producing wells and potential producers (i.e., wells that have been drilled but capped because there was not an available market). In 1952 there were 483 oil wells; in 1953 there were 818. In 1952 there were 49 gas wells; in 1953 there were 80. Let us examine oil and gas production. In 1949 our production was less than a million barrels (793,000); last year our production was 2,788,000 barrels. In 1949 our production of gas was 813,000 MCF (thousand cubic feet) and in 1953 it was 1,537,000 MCF.

**February 17, 1954**

There are some fourteen oil fields now being delineated in the province. The most encouraging find so far has been the Smiley field, because it is the first large light oil field that has been discovered. In the last four months some fifty wells capable of producing oil have been drilled. I think one of the best indications of the interest is the fact that one company is now prepared to put in a pipeline from the Smiley oil field to the inter-provincial pipeline so that the light crude oil from the Smiley field can be brought to Regina. The fact that oil companies paid \$2,223,000 for a section of school land in the Fosterton medium gravity oil area is an indication of the wealth potential of that area.

Alongside of the growing exploration for oil has been the necessity for expanding our refining capacity. In 1944 this province had facilities to refine 17,000 barrels of oil a day. By 1952 this had gone up to 56,000 — more than three times as much; and by June of this year we will be capable of refining 66,000 barrels per day.

I might say a word about mineral production. In 1944 our mineral production in this province was valued at \$22,292,000, and in spite of the fact that prices for minerals have dropped in the interim, our mineral production in 1953 was valued at \$48,136,000 — more than twice as much as in 1944.

Salt production has gone up from 31,000 tons in 1951 to 35,000 tons last year. Our sodium sulphate production is the only item which is down. We produced 87 tons in 1943; we reached a peak of 154,000 tons in 1948; we are down to 112,000 tons last year.

Our coal production is steadily increasing. In 1944 — 1,390,000 tons; 1949 — 1,870,000 tons; last year's estimate is something over 2,000,000 tons.

Our base metal production in 1952 was valued at \$37,690,000. Manitoba in the same period produced metals worth \$15,881,000; Alberta only \$3,023. In other words, our base metal production in 1952 was twice as much as that of Albert and Manitoba combined. I will not go into details of the mining activity. I am sure the Minister of Mineral Resources will refer to that, but the number of licences issued, the number of companies coming in, the number of claims staked are going up by leaps and bounds. The great development at Uranium City is one of the most outstanding developments in Canada today. I had the privilege of going in on the inaugural flight of the plane flying between Prince Albert and Uranium City just a few weeks ago. The last time I was in Uranium City, or where Uranium City now stands, there were a few shack tents for surveyors laying out the town site. If you go there today you will find a hotel with thirty rooms with running hot and cold water, picture show, three churches, a hospital just about completed and a four-room school in operation. This is a thriving community. Three mining companies are in operation. Five shafts are down. The Eldorado plant is in operation, working at its capacity of about 500 tons per day. It will now have to expand its capacity if it is going to be able to do custom work for some of the other mines.

The Gunnar Gold Mines, which are said to have uncovered an ore body worth about \$100,000,000, are now planning to put up a plant of their own at a cost estimated anywhere from \$7,000,000 to \$15,000,000. It is expected this will be started some time late in 1954.

I have not done more than touch on a few of these things — oil, gas, base metals, salt, sodium sulphate, uranium — all of which indicate that in this province very large sums of money are being spent by private corporations in the development of our natural resources.

Let me say just a word about the part that has been played by the co-operative movement. The co-operative movement represents a very large percentage of the rank and file of this province. The combined membership of all our co-operatives numbers 525,027. In the last fiscal year they did a volume of business of \$490,000,000, which is \$92,000,000 more than the previous year. In addition to what the co-operatives in Saskatchewan did, the inter-provincial co-operatives did another \$48,000,000 worth of business in Saskatchewan, so that actually \$538,000,000 of co-operative business was done in Saskatchewan during the last fiscal year. These co-operative organizations, representing the rank and file of our people, now have combined assets of \$191,000,000. This tremendous expansion by the co-operative movement has been made possible because they have built up their own banking facilities, their own credit society and their own credit unions. They have been able to extend their refineries, because of the loyalty of their membership and also because this Legislature, last year, by legislation placed the guarantee of the Saskatchewan Government behind their bond. This, I think, has assisted materially in a strengthening of their credit and enabled them to extend their facilities. The co-operative movement is playing an important part in the development of this province and I submit to you, Mr. Speaker, that it is destined to play an even more important part as the years go by.

I come now to the part which public utilities are playing in the development of our province. Public utilities, after all, are simply universal co-operatives. They are co-operatives in which all the citizens of the province have a share. They are services which the people of the province provide for themselves co-operatively on the basis of service at cost and they know that any surpluses will be used to extend the facilities to an ever greater number of people. I can only make very brief reference to these various public utilities. I refer first to the Telephone Corporation, which last year made capital expenditures of over \$6,000,000 and added 10,000 new subscribers to the telephone system. The progress we have made in ten years in Telephones is worth looking at. In 1944 this Corporation had capital assets of \$16,524,000; in 1953 it had capital assets of \$42,500,000. The number of telephones has gone up from 46,900 to 104,900 — nearly two and one-half times as many.

The Power Corporation made a capital expenditure last year of \$10,000,000. That \$10,000,000 enabled them to do many things. It enabled them to build 104 miles of 69 kv lines and 245 miles of 24 kv lines. They set out last year on the greatest farm electrification programme ever attempted in this country. They went out to extend power to 5,500 farms, and they reached and passed that objective. That rural electrification programme affected 138 Rural Municipalities and one Local Improvement District. Power was extended to 50 villages, and 114 oil wells were electrified last year, bringing the total of oil wells electrified to 190. The generation of power was increased by just a little short of twenty per cent.

Again, let us look at the expansion in the last ten years. In 1944, the total number of customers the Power Corporation had was

**February 17, 1954**

12,989; it is now over 100,000. In 1944 — farm customers numbered only 137; now there are over 18,000. The number of towns electrified in 1944 was 146; now 667. In 1944 the total assets were worth \$8,950,000; the total assets now are worth \$68,000,000. The Power Corporation has also been doing important work in the matter of bringing natural gas to the people of six communities as well as to the city of Saskatoon. There has been an expenditure of some \$7,000,000 and 5,000 customers are now receiving natural gas service. There are some who have been attempting to stir up a little discontent by saying that probably people are paying too much for gas. As a matter of fact, Mr. Speaker, the engineering company who did the preliminary survey estimated that we would probably lose money on selling gas in Saskatoon and in the towns en route for the first three years or until a load could be built. The load may grow faster than we think and it may take less time, but certainly it will be a losing and a marginal proposition until the load is built up. However, it is building up very fast and I can say to the people who use natural gas that the same principle will apply to them as has applied to the selling of power, and that is, that in the aggregate it will be sold as close to cost as possible and the surpluses will be used to expand the services to an ever-widening number of people throughout the province.

An inter-provincial pipeline from Alberta through Saskatchewan and Manitoba and down into Ontario is to be built. This will mean that Saskatchewan will be able to buy gas from that pipeline and to put gas into the pipeline. This Legislature passed legislation some time ago to make the Power Corporation the sole purchaser of gas. It is our intention to maintain the principle of an integrated system so as to make possible the extension of the natural gas service to as many communities as possible. It is unlikely that the inter-provincial pipeline will come down through Saskatchewan much before the fall of 1955 and we are hoping that by that time it will be possible to have distribution systems in some of the communities in southern Saskatchewan ready to make use of that gas. As the government has already announced, the same principle will be followed as was followed in Saskatoon. The Power Corporation will either sell natural gas in bulk to the city council or it will offer to retail natural gas to the consumers in the cities concerned.

I do not need to say that heavy expenditures are involved in putting in a pipeline from the inter-provincial pipeline to the communities and in putting in the distribution system if the city councils ask us to do so. Heavy expenditures will be necessary, later on, to take gas to Prince Albert and North Battleford and to other communities. Yet we feel that the expenditure of this money is justified, firstly because it is self-liquidating; secondly because it will give to our people a cheap and dependable fuel; and most important of all, because it will prove an attraction to industry in our province, thus making more industrial employment available to the people of Saskatchewan.

I have only time for a passing reference to the other Crown Corporations. I would like to say that the other Crown Corporations and public utilities have had a very successful year. All of the Crown Corporations will show a surplus. One operation — the box factory — will show a loss, but the Timber Board, to which it belongs, will show an over-all surplus. These Crown Corporations are rendering an important service to the people of the province. The Bus Company, the Government Airways Service in the north, the Timber Board, the Fur Marketing Service, and so on — these services are important to our people. They are helping to develop

our industry and are giving employment to some 4,400 people in Saskatchewan. The Crown Corporations of this province last year did \$45,000,000 worth of business and although all the financial statements are not audited, a preliminary survey shows that they will have surpluses of between \$5,500,000 and \$6,000,000.

I want to say, Mr. Speaker, that the policy of the government will be to continue to use these public utilities to serve the needs of our people, to integrate the services and to expand these services to communities that otherwise could not get them in order that the benefit of these public utilities may accrue to the largest possible number of people.

I have said something about the industrial and economic development of the province, with reference to private enterprise, co-operative enterprises and public enterprise. I wouldn't like any person to think that just because I dwelt so much on statistics and on development that we consider industrial and economic development an end in itself. It is not. Economic and industrial development is only a means to an end. The philosophy of this government is "Humanity First". We believe that the measure of any community is the amount of social and economic security which it provides for even its humblest citizen. We know that we cannot build up social services beyond our capacity to maintain them. We are now laying a heavy emphasis on strengthening our economic base and increasing our wealth production in order that we may provide ever-expanding health, educational and social welfare services to the people of this province. These services are being expanded, Mr. Speaker.

Take, for example, our hospitalization plan. In 1947 this plan cost only \$7,560,000; last year it cost about \$16,500,000, or \$9,000,000 more. In 1947, the first year the plan operated, 121,951 persons plus 20,415 new-born babies received hospital care; but last year it took care of 165,410 persons plus an additional 21,606 new-born babies. In other words, last year we handled 45,000 more patients than we did in the first year of the plan. The plan has been responsible for bringing hospital care to an increasing number of people. The results are evident. In 1946, 86.7 per cent of live births took place in hospital; last year, 96.4 per cent took place in hospital. In other words, only 3.6 per cent of the babies born in this province were not born in hospitals. What is the result? The result is that the infant mortality rate per thousand live births has declined. The average from 1941-1945 was 46.5; last year it was 30.8 — a drop of about one-third. The maternal mortality rate per thousand live births has declined. In 1941-45 the average was 2.8; in 1953 it was 0.5, a reduction to less than one-fifth. I believe that is the real measure of a community. When we can reduce the number of mothers who die in childbirth, when we can reduce the number of children who die at birth and when we can make it possible for more and more people to get hospital care and go out strong and well, we have the real measure of the use to which economic development is being put. Our tuberculosis rate in the last ten years has dropped from 29.6 per hundred thousand of the population to 12.3, or considerably less than one-half.

The same story could be told in education. There is the story of larger school units, of composite schools, of school bus systems set up, of children today being given educational opportunities in rural areas such as they never had before. I spent a day at Sturgis and there I saw their dormitories, their boys and girls being brought in by buses to take courses in mechanics, in interior decorating, in carpentry and in

tinsmithing — courses that ten years ago were denied to children in rural areas. There are increased services and facilities at the university. The scholarship fund provides money to assist students to go on from high school into university and into teachers' colleges and into hospitals to train as nurses. Money is being provided as loans and grants to school districts to build new schools and to expand their school facilities. All of these are an indication that this government considers increased wealth production as only a means to enable our people to move forward to a better way of life.

The same thing is true of social welfare. We are constantly increasing the nursing home capacity for old people. As has been indicated in the Speech from the Throne, the nursing home at Melfort will be completed this year and a nursing home in Regina will be commenced. Moreover, we have been entering into agreements with communities, private organizations and church organizations to put up nursing homes for old people who are able to get around but who do not require bed care. There are six agreements signed already and there are fourteen more in various stages of negotiation. I believe we will be able to assist communities all over this province to put up homes where elderly citizens who pioneered this country may spend their last days in comfort and in security.

The same is true of housing. Under Section 35 of the National Housing Act, we are giving assistance to any communities that want it. We are trying to get an increasing number of communities to avail themselves of the offer to build homes under Section 35 in order to make housing accommodation available to the people in the low-income group.

As has been indicated already, we have signed an agreement with the Government of Canada respecting the rehabilitation of the physically handicapped. A great many people who are physically handicapped can be trained to become self-supporting. This will enable them to regain their feeling of belonging to the community and that sense of dignity which comes from having some important role to play in society.

An agreement is being negotiated between the Government of Saskatchewan and the Government of Canada regarding pensions for the disabled. This is something about which members in this House have spoken many times. I am sure we are all glad that it is now going to be possible to provide pensions for those who are physically handicapped and who probably cannot be rehabilitated and who need the security that a pension will provide.

Mr. Speaker, I feel that before I close I ought to say something about the very important event which will take place in this province next year. I refer to Saskatchewan's Golden Jubilee. I want to commend all the members of the committee who have worked on this programme, and all the members of the sub-committees who have done such an excellent job in preparing the programme for 1955. It is going to be a historic year. Already arrangements have been made to have a postage stamp commemorating the establishment of Saskatchewan. The jubilee day itself will be Wednesday, July 20, 1955. A provincial day of prayer will be held on Sunday, July 17. I am not going to go into the many projects that have been prepared by the Golden Jubilee Committee because that would take too long and those who are responsible will be reporting at the proper time. As most members know, Mr. Justice E.M. Culliton is the Chairman, and my colleague, the Honourable Mr. Lloyd, Minister of Education, is the vice-

Chairman of that Committee. Mr. Fred McGuinness is the Director and Mr. John Archer is the Secretary. Already a Jubilee choir is being trained which will represent Saskatchewan this year at the Minnesota State Fair and at other important functions. They will sing Saskatchewan songs and tell people something about the province of Saskatchewan. A Saskatchewan Musical Revue written by people in Saskatchewan is being prepared for presentation. There will be music competition awards, handicraft and literature contests. School broadcasts are being prepared; a jubilee pageant is being prepared; mobile display units will be available; a number of national conventions have been arranged for Saskatchewan; and in a score of more communities throughout the province historic sites are being prepared and marked for Golden Jubilee Year.

An official history of the province is being written by Mr. J.F.C. Wright, and history for use in the schools is being prepared by Mr. John Archer and Mr. A.M. Derby. I do not think there is any doubt about it that all the various sections of the province represented on the Golden Jubilee Committee have put their hearts and their heads together to make sure that this will be a year that we will long remember. I would like to say to all the members of the House and to all the people of this province, irrespective of what our differences may be about other things, that this is one thing we can work together to achieve because the one thing we have in common is our sense of reverence and respect for our pioneers, our pride in Saskatchewan and our faith in its future. I hope that all members will work together to that end.

I would like to say, Mr. Speaker, that as we look forward to the Golden Jubilee year, there is one ideal I cherish for this province. We live in a time when hysteria and suspicion have gripped the hearts of millions of people on this continent. No person can look at the situation without a heavy heart. One sees, in the United States, a congressional committee calling witnesses and condemning men by association. Men wake up in the morning to find that their name has been blackened and their reputation ruined — not by anything they have done but because some man who professes to be a former communist goes before a congressional committee and reads off a long list of suspects. I will take second place to no one in saying that those who commit treason and those who are disloyal to the country to which they belong ought to be punished. But to condemn people because they believe certain things, to condemn people because they associate with certain people, to condemn men without trial and without the due processes of law, is to destroy the very democracy that they profess to defend. We need not think that an international boundary protects us. Already some member in the House of Commons (I believe a Social Credit member) wants a parliamentary committee in Canada, and if he can't get that, he will take a Royal Commission, to go out witch hunting and red-baiting. In the province of Quebec there is legislation giving the Attorney General of that province the right to restrict freedom of worship. This is supposed to be designed to curb the Jehovah's Witnesses, but it doesn't say the Jehovah's Witnesses. It could curb the religious freedom of any person or any group in that province. In the same province there is legislation to allow the same Attorney General to de-certify trade unions and to deny men the right of association and the right of collective bargaining. At the other extreme of Canada we have someone else talking about burning books. Mr. Speaker, in a free country the only thing any man has to fear is that he cannot defend his own ideas. Those who want to burn books are either afraid of the ideas contained within the covers or they haven't the courage to stand up for the views which they themselves profess to hold.

February 17, 1954

My hope, my plea for Saskatchewan is that we shall keep hysteria out of this province. I hope that this province will be an island of tolerance and good will in a sea of turbulent hysteria and suspicion. I hope that in this province there will be a haven of neighbourliness in which we shall give to all men, and to all classes, and to all creeds, and to all colours, the same rights and the same civil liberties that we ask for ourselves. I want to say that as long as this government sits here, there will be no infringement of civil liberties in Saskatchewan and there will be no witch hunting and there will be no red-baiting. But unless we are prepared to defend these liberties that belong to other people, we ourselves will not enjoy them very long. Mr. Speaker, unless we are prepared to defend these liberties — freedom of speech, freedom of the press, freedom of religion, freedom of association, freedom of all the things that are necessary to maintain human dignity — unless we are prepared to defend these freedoms, then we are not worthy to stand up and sing, as we often do,

O Canada, Glorious and Free  
O Canada, We Stand on Guard for Thee.

I shall support the motion.

**Hon. Mr. Sturdy (Minister of Social Welfare):** — Mr. Speaker, I would like to take this opportunity to welcome another fine group from our University at Saskatoon. It is a university of high educational standards, is headed by a very fine and outstanding president and is serviced by a very efficient staff.

We do welcome you to the Legislature. I am sure that you have enjoyed the address you heard this afternoon. You are invited to join us, as guests of the Speaker, at a banquet in the restaurant downstairs at 6:00 o'clock and I extend to the members of the Legislature and to their wives, on your behalf, Mr. Speaker, an invitation to be present at the banquet.

**Mr. A. Loftson (Leader of the Opposition):** — Mr. Speaker, on behalf of the Opposition I would like to concur in extending a welcome to the students of the University who are here this afternoon.

I might say that I happened to have the pleasure of being present at the opening of your Forum last fall and the experience I had there made me a little bit fidgety in case something might happen to our Premier here — and I wouldn't like that to happen. However, now that it is all over; his speech has been delivered — I am sure you enjoyed it as I did — we hope to meet you this evening at dinner and continue our visit with you.

**Mr. Robert Kohaly (Souris-Estevan):** — Mr. Speaker, I beg leave to adjourn the debate.

The Assembly adjourned at 4:35 o'clock p.m.