

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session – Twelfth Legislature
3rd Day

Monday, February 13, 1956

The House met at 2:30 o'clock p.m.

On the Orders of the Day:

TRIBUTE TO FORMER M.L.A.

Hon. T.C. Douglas (Premier): -- The hon. member for The Battlefords (Mr. Kramer) has brought to my attention that the name of Allan Pickel, who represented Battleford in this Assembly from 1917 to 1929, had been omitted from the list of former Members who have passed away since the last Session.

Allan Demetrius Pickel, a pioneer resident of North Battleford, died on June 22nd last, after a lengthy illness. Born at Darlingford, Manitoba, in 1877, he was educated at Morden, Manitoba, and first came to Saskatchewan in 1903, journeying overland from Saskatoon before the railway to North Battleford was built. He started business in the town of Battleford in 1904, but moved across the river to North Battleford when the railway reached there in 1905. There he founded one of the city's earliest businesses, as a general merchant. He took a keen interest in local affairs, organizing hockey and curling clubs, was prominent in the work of the Board of Trade, and helped in the foundation of the Agricultural Society. He also served as alderman for a number of years.

First elected as a Liberal in the general election of 1917, he was re-elected for the constituency of Battleford in the general elections of 1921 and 1925.

I would, therefore, like to move, Mr. Speaker, seconded by the hon. Leader of the Opposition (Mr. McDonald):

“That the Clerk of the Assembly be authorized and instructed to add the name of Allan Demetrius Pickel, Member for The Battlefords from 1917 to 1929, to the names of deceased former Members to whom tribute was paid by Resolution of the Assembly dated February 10, 1956.”

The question being put, the said motion was carried unanimously by standing vote.

SPEECH FROM THE THRONE

Motion for Address-in-Reply

Mr. R. Brown (Last Mountain): -- In rising to move the Address in Reply to the Speech from the Throne, I feel certain this great honour has not been bestowed on me because of any special personal attributes. On the contrary, I

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feel quite certain the honour is meant for the people of Last Mountain constituency whom I am privileged to represent. I feel sure that in granting me this privilege, the Government is in effect saying "thank you" to the thousands of people of Last Mountain constituency who have, over the years, overwhelmingly supported the progressive and humanitarian policies this government has instituted since taking office in 1944.

Mr. Speaker, when we met in this Assembly a year ago, the Speech from the Throne drew attention to the fact that the preceding year, 1954, had seen one of the most disappointing crops ever experienced. Continuous wet weather, the most widespread rust infestation in history, and frost, reduced a very promising crop to the lowest level since 1943. The effect of crop failure combined with relatively low farm prices had caused a drastic decline in farm income.

While it is true that the years just prior to 1954 had seen better than average crops, nevertheless, due to the adverse farm cost-price ratio which has prevailed for the past number of years, the loss of even one crop was a serious blow to our farmers, and in some cases meant actual hardship. The Government, of course, as was indicated in the Speech from the Throne, had plans and programmes under way to alleviate the situation within the financial ability of the province.

This year, as we meet in this Assembly, our farmers are again faced with a critical situation. However, while the situation in 1954 was brought about by a capricious Nature, the serious situation facing our agricultural industry at the present time can, I think, properly be termed man-made. In 1954, Nature denied our farmers the fruit of their toil. In 1955, Nature in a bountiful mood blessed us with an excellent crop.

However, our farmers find themselves still in a financial straightjacket due to the fact they are unable to deliver their grain. Not only can they not deliver their grain, Mr. Speaker, they cannot in any easy, simple manner obtain cash advances against their grain. The Federal Government has refused to heed the overwhelming demand for cash advances on farm-stored grain, and instead has provided for guaranteed bank loans with a maximum of \$1,500 at an interest rate of five per cent. Much has been said regarding the unfairness and inadequacy of that system, and much more could be said. Suffice to say that by far the majority of our farmers find it unsatisfactory and unpalatable.

The reasons for the inability to deliver grain are many. Foremost, of course, is the matter of markets, lost markets, and the need to establish new markets by a bold, aggressive, imaginative sales programme. Canada must, I am convinced, if she is to retain her position among wheat exporting countries, adopt policies along the lines of her competitors. Among other things, the Canadian Government should arrange to extend trade credits and accept sterling or other currencies. Barter deals should be entered into, and tariffs and dumping duties must be lowered. Encouragement of the demand for our wheat should be given by participating in programmes of assistance to needy nations.

Another reason why more grain cannot be delivered, Mr. Speaker, is shortage of storage space in our country elevators. In that regard, I think

the situation which has prevailed recently, where we see empty space in the terminals at the Lakehead and West Coast, yes, and ships waiting in the harbour at Vancouver to load, while our country elevators are plugged with grain which cannot be moved due to a shortage of boxcars, is cause for censure of the Federal Government for complete lack of foresight and planning. It is even more of a disgrace when it is admitted that thousands of boxcars are running around in the United States.

I could go on and discuss many more matters of concern to our farmers and the economic plight they are in. However, instead, I will only say that it is my hope that the Government, with the support of every member of this Assembly, will continue to do everything in their power to urge upon the Federal Government policies and programmes which will alleviate the situation and prevent a complete collapse of the agricultural industry. In that connection I am pleased to note the Speech from the Throne proposes that a Special Committee to study marketing problems is to be set up.

A few years ago, such a drastic decline in farm income as we have experienced the last year or so, would have had a catastrophic effect on the entire economy of our province. However, while the effects did, of course, spread throughout the province and influenced the entire economy, including Provincial and municipal finances the economy was sustained at a high level. The reason for that is the new strength and diversity of our provincial economy brought about by the rapid increase in the development of our natural resources and the tremendous industrial development which has been taking place since this Government took office.

I would like to remind the members of a speech made by the Premier in this House on February 13, 1952. At that time he said that the watchword of the Government during its first term of office was "Security". He pointed up the fact that the C.C.F. inherited a bankrupt province, completely devoid of security for any segment of our population. The first job then was to give security to the farmers by getting rid of seed grain and relief debts; with giving security to the organized worker through his trade union; with building the co-operative movement; with the building of schools and hospitals; with providing better pensions for old people, widows and their children; with establishing the Hospital Services Plan and car insurance. He mentioned, too, that the watchword of the second term was "Development".

While much work was done during the first term of office, work required in order to ascertain just what our natural resources and industrial potential were in order to plan their proper development in the interests of the people, the second term of office was definitely a period of development. Endless facts and figures can be produced to prove conclusively that the second term of office was a period of development such as we had never seen in the past history of this province. It is not my purpose today to try to prove something which history has already recorded as an absolute fact.

On February 13, 1952, the Premier, looking to the future and cognizant of the plans the Government had formulated, said that the third term of office would have for a watchword "Expansion". That visualized, Mr. Speaker, an era of industrial and resources development during which Saskatchewan would march forward to a tremendous economic destiny; a period of development of the

people's resources for the people themselves by a real people's government. To that end, the Industrial Development Office, under the guidance of the Premier himself, was geared to bend every effort to promote and foster a tremendous surge of industrial and resource development.

The Speech from the Throne referred very briefly to the progress which has been made during the last year. Time will not permit a detailed review of everything that has gone on in the field of industrial and resources development since this Government took office. I would, however, like to very briefly review the progress of the last few years. I would like to do this particularly because there are apparently some members of this House on your left, Mr. Speaker, who do not seem to realize what has been taking place in this province during the last few years.

I want to recall the position of Saskatchewan's economy ten years ago and contrast it with conditions which prevailed at the end of 1955. The story of these ten years in Saskatchewan is one of phenomenal advances in all spheres of our economic life, and particularly in the field of non-agricultural industries. One magazine writer, reviewing the past ten years in Saskatchewan has call this period "Saskatchewan's golden period of discovery and development."

During the past ten years, Saskatchewan's factories have produced goods to the value of more than \$2 billion. The output of manufacturing industries in this province went up from a gross value of \$175 million in 1944 to \$282 million in 1954. This great increase in our productive capacity is reflected in more jobs for our people and larger payrolls. Wages and salaries paid employees of manufacturing industries rose from \$18 million in 1944 to \$34 million in 1954 – a gain of almost 100 per cent. Unquestionably, when all statistics for the past year are collected and evaluated, these gains will be even greater.

Ten years ago the words 'oil' and 'uranium' had very little economic significance as they applied to this province. In 1945, Saskatchewan's crude oil production was slightly more than 16,000 barrels, and the value of this production was \$17,000. Furthermore, this was heavy black crude from the only producing fields we had at that time, those at Lloydminster.

What is the picture at the end of 1944, Mr. Speaker? Well, Saskatchewan, at the end of last year had more than 1,600 oil wells capable of production. The number has increased steadily since that time. I believe the latest figure quoted was 1,698 oil wells. At the end of September 1955, crude oil production in Saskatchewan was more than 7½ million barrels. When the whole year's production figures are in, Saskatchewan oil wells will in one 12-month period have produced something like 12 million barrels of oil, light, medium and heavy crude: 16,000 barrels in 1945, Mr. Speaker, and 12 million in 1955. The value of this production record will be somewhere in the neighbourhood of \$20 million. Quite a nice increase from the \$17,000 oil production brought in 1945. In these past ten years, we have witnessed phenomenal development in our petroleum industry. I think we have earned the title of the full rank of a major oil-producing province.

Year by year Saskatchewan's oil recovery is doubling: 2,800,000 barrels in 1954; 5,400,000 in 1954, and somewhere in the neighbourhood of 12

million barrels in 1955. And this is just the beginning. New oil wells are coming in at the rate of almost two per day.

It is not necessary for me to point out that this new wealth from oil is having a tremendous impact on our economy. The world's major oil companies are carrying on exploration and development programmes in this province. These companies spent \$10 million in 1950; close to \$100 million in 1954, and the figure for 1955 will be considerably higher.

The manufacture of petroleum products has become the greatest single non-agricultural industry in the Province of Saskatchewan. The latest available figure we have is for 1953. In that year, Mr. Speaker produced petroleum products to the value of approximately \$63 million. That is not all, Mr. Speaker. The economic impact of oil development is very far-reaching. It is a magnet that draws new industry and business to our province. Good examples of this are the city of Swift Current and the two of Estevan. Last year, more than 20 new business firms serving the oil industry moved into Estevan. Swift Current of course, also experienced a similar influx.

The benefits of oil development have been felt in many parts of the province, and they have touched many people. Another instance of this that I might refer to, is the two steel pipe plants now under construction in the city of Regina. These plants, one a \$3 million project and the other a \$2½ million project, will produce pipe for the oil industry. New wealth will be brought into the province and into the city of Regina. Employment for a large number of people will be provided, and business generally will feel the beneficial effects of the additional payrolls.

Oil development is mainly associated with the southern half of our province. In another geographical area – the far north – we have seen the birth of a second multi-million dollar industry, uranium mining. In this vast area, where once the silken was broken only by the lonely cry of the timber-wolf, there can be heard the ring of the prospector's hammer, the roar of the aeroplane, and the whirr and roar of the uranium mills in production. Uranium discovery and development marked another eventful milestone in our economic history in the past ten years. In that short time we saw the mining plants and refineries of a new major industry spring up and spread over a wilderness of rock and muskeg.

Today Saskatchewan is one of the world's major producers of uranium. Capital expenditure in this field has been close to \$100 million. At this very young stage of development, the value of uranium production is running into several millions of dollars annually, and this value will double and triple in the next few years. New companies are coming into production, and the capacity of producing mines is being constantly expanded.

Last September, one of the world's largest private uranium mines began production. I refer to the Gunnar Mines Limited, a \$25 million development which will have a mill capacity of 800 tons per day. In recent months somewhere between 1,500 and 1,600 men have been engaged in mining and refining uranium in northern Saskatchewan. That figure will become measurably greater as new companies continue to go into production.

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In my reference to oil and uranium, I have been talking about two of our resources where development is quite well advanced. I would like to touch briefly now on another natural resource where search and discovery is moving quite rapidly to the development stage. I refer to potash. At least nine major companies are now active in the field.

I have been looking at a mineral map of Saskatchewan which shows the leases and permits held by these companies. This land area under exploration, 40 miles deep at one point, stretches across the central part of Saskatchewan from the Alberta boundary to the Manitoba border. What we are seeing here is the formation of still another major primary industry. At this time, one of America's largest potash companies is sinking the first potash mining shaft in Canada. As a matter of fact, the only one outside of Carlsbad, New Mexico.

Mr. A. Lopton (Saltcoats): -- Why American?

Mr. Brown (Last Mountain): -- On a site just 14 miles east of Saskatoon, Potash Company of America has established a surface plant and, last December, this firm began putting down a 3,000-foot concrete shaft to mine deposits of potash. I am advised that this Company's development programme includes plans for the construction of a refinery which may cost in excess of \$10 million.

If the members of this Assembly read the newspapers, it must be apparent to them that the natural resources of this province are being developed and utilized to a degree never dreamed of 25 years ago. As a matter of record, Mr. Speaker, as I have previously pointed out, until 12 years ago, when this Government took office, we didn't have any resources development, and didn't even know what resources we had. Today, even the long neglected clay resources of Saskatchewan are being employed in the service of a new industry.

Last year, two lightweight aggregate plants open at Regina to produce this building material from Saskatchewan's clay. And still another new plant, a tile products factory, is to be built this year at a cost of \$1,250,000. This plant will use clay from Eastend in the manufacture of sewer pipe, flue lining and other vitrified products. Saskatchewan clay will be used this summer in the manufacture of cement. Construction of a \$7,500,000 cement plant is going on right now in an area of Regina not very far from this building. Saskatchewan's construction industry can make good use of that cement. The material has been in short supply for several years now, and this has handicapped our construction people through a period of the greatest building boom in Saskatchewan's history.

While on the subject, Mr. Speaker, I should mention the recent announcement of yet another new industry to be established to provide material for the construction industry. We are happy to learn that a \$2 million plant is to be constructed in Saskatoon to produce building material from straw.

One should not overlook the recent announcement of the establishment of a \$1/4 million wire and cable factory at Weyburn. Ready markets for the product will, of course, be available due to the tremendous power expansion programme being carried on.

According to the Dominion Bureau of Statistics, this province has led all Canada in the rate of growth in building construction over the past four years. In this period, the value of construction in Saskatchewan has gone up 78 per cent. It would appear that we are about to see another record year for construction in Saskatchewan, one that may very well surpass all previous records.

Since the first of the year, the newspapers in this province have headlined story after story about large-scale building projects scheduled for 1956. These projects include housing, schools, nursing homes, office buildings, power stations, warehouse expansion, stores, hotels and (something we should take particular note of) new industrial plants. In the Regina area alone, a number of new industries with a total investment of close to \$14 million have either completed the construction of their plants or are proceeding with construction.

The growth of the construction industry in this province during the past ten years is truly phenomenal. In 1945 the average number of people employed in the industry was about 4,000 and the value of the work performed about \$18 million. In 1954, almost 25,000 persons were employed in construction, and the value of the work performed was almost \$274 million. I have no doubt that 1955 figures will show a substantial increase over 1954.

If production of metallic minerals in Saskatchewan seems to be overlooked in the publicity given to oil, uranium and potash development and tremendous industrial expansion, it is not because this field of our mining industry has failed to make gains. On the contrary, production has also made great strides since 1944. The value of copper production in 1944 was slightly below \$9 million. In 1954, it was in excess of \$24 million. Zinc production in 1944 was valued at approximately \$4 million. Ten years later in 1954, it had risen to approximately \$12 million.

This, Mr. Speaker, is only a sketchy outline of some of the development that has taken place in this province during the past 10 years. It would take much more time to adequately cover the tremendous and unprecedented economic expansion of the last decade. What I have said, however, should be sufficient to establish that Saskatchewan is well along the road to a more diversified and durable economy. It should prove conclusively that when the Premier said, in 1952, the watchword of the Government would be "Expansion," he knew whereof he spoke.

Before leaving the topic of industrial expansion, I cannot resist pointing out that, as I said previously, there are some members of this House to your left, Mr. Speaker, who apparently do not know what is going on in Saskatchewan; or, if they do, continually try to disparage our great industrial boom for their own selfish motives. To prove to them that the story of Saskatchewan's record development and expansion is not something which the Government has dreamed up for political purposes, I would refer them to a number of publications from outside Saskatchewan, some from as far away as England.

For example, I have here a copy of "Trade and Commerce in Western Canada." The caption reads: "Premier Douglas leads Saskatchewan toward industrialization." In it can be found glowing accounts of the matters I have been discussing.

I have here, too, a copy of “Canada Weekly Review,” the only Canadian newspaper published in England. Again the headline reads: “Saskatchewan Vibrant with Growth”. Inside can be found story after story of the great things taking place in Saskatchewan. Those stories were not written by the Government of the C.C.F. Party, Mr. Speaker, but by people who came with an open mind to see and having seen, wrote with enthusiasm of what is taking place.

Even the staid old “Times” of London recently devoted an edition of its “Weekly Review” to Saskatchewan’s growing industrial giant. Under date of December 22nd, they have given a complete and glowing account of the boom which has been taking place in Saskatchewan over the last few years.

We don’t even need to go outside of the province, Mr. Speaker. We can take those two wonderful publications, our daily press – those two papers which are known, of course, to be staunch opponents of this Government, and I refer to the Regina ‘Leader-Post’ and the Saskatoon ‘Star-Phoenix’. Even they, when they think that nobody from Saskatchewan will notice, actually break down and tell the truth about what is going on here in the province. You may not believe it, but I have in this particular publication here a copy of an ad which appeared, and I would like to read what it says:

“Long the breadbasket of the world in wheat production, the tremendous expansion of oil production and natural gas expansion, the rapid development of uranium, base metals and mineral output are giving Saskatchewan a new economy. When you think of Canada, think of Saskatchewan – the growing Province.”

Mr. Danielson (Arm River): -- Who said that?

Mr. Brown (Last Mountain): -- The sponsors? Not the Government, Mr. Speaker; not the C.C.F. Party – but the Regina ‘Leader-Post’ and the Saskatoon ‘Star-Phoenix’! I think it is high time the hon. friends opposite cease making themselves look utterly ridiculous by continually crying that “Saskatchewan has missed the boat”, and that “capital won’t come into Saskatchewan while there is a C.C.F. Government.”

Let me say this, Saskatchewan caught the boat when the C.C.F. Government was elected in 1944, and they missed it for 34 years under the Liberals. Capital is coming into this province and the only ones who are trying to frighten it away are those people who realize that their chances of ever moving over to this side of the House are becoming more slender every day of the week.

Mr. Cameron (Maple Creek): -- You had better go out on the hustings, and you will find out what’s going on.

Mr. Brown (Last Mountain): -- Mr. Speaker, there are many fields of government activity which I would like to touch on today – matters which were referred to in the Speech from the Throne. However, time will not permit me to deal with all of them, but I would like to mention, very briefly, a field in which this Government has established an outstanding record, and a field to which I don’t think

sufficient publicity has been given. I refer to the financial position of this province, and the fiscal policies which this Government has followed since taking office in 1944.

I mentioned a little while ago that when this Government took office in 1944 they took over a bankrupt province. That is quite true, Mr. Speaker. When we took office in 1944 this province was carrying a load of debt amounting to over \$177 million – the highest per capita debt of any province in the Dominion of Canada. To offset that staggering load of debt there was approximately \$24 million in sinking funds. Credit at that time was non-existent. Saskatchewan could not borrow a dollar on the open market, and had not been able to borrow a dollar since 1932. Compare that situation with the situation of today, Mr. Speaker. Today, Saskatchewan, because of its excellent financial position can borrow any needed funds at interest rates as low as any government in Canada.

In 1944, Saskatchewan debentures were extremely undesirable and considered a very poor risk. Today they are among the most desirable on the market, and you will find investors are very reluctant to part with them. I mentioned we were carrying, in 1944, some \$177 million of provincial debt, with a mere \$24 million in sinking funds. That debt was covered by 52 debenture issues which were outstanding at that time. However, while there were 52 debenture issues outstanding there were only 13 sinking funds making up a total of the \$24 million.

Today there are 51 debenture issues outstanding, but there is a full three per cent sinking fund levied on all outstanding bonded debt. That will provide for 75 per cent to 80 per cent of the issues when invested for 20 years, and will, of course, eliminate any serious refunding problems in later years. It can be safely said that Saskatchewan is well on the way to a 'pay-as-you-go' basis.

How about the provincial debt today, Mr. Speaker? What has been done to keep the deadweight debt from rising? First, let me say that from a high of \$177 million in 1944 . . .

Gov't Member: -- Under the Liberals?

Mr. Brown (Last Mountain): -- Under the Liberals, yes . . . the provincial debt has been reduced to just over \$79 million in 1954, a reduction of almost \$100 million, and I understand it has been reduced further in 1955. This debt reduction has been brought about by several factors. To cite a few, I would mention the Liquor profits. I would mention, too, the use of surpluses which the Provincial Treasurer has budgeted for and produced for a considerable number of years. One other point I think the Government and particularly the Provincial Treasurer should be commended for, is the timing of Saskatchewan borrowing, which has meant obtaining money at interest rates undreamed of a few years ago, at a resultant considerable saving in interest for the treasury of the province.

IN May 1955, the province was able to borrow \$10 million at an interest rate of only 3¼ per cent. Again in November, 19055, \$25 million was borrowed at 3¾ per cent. It is very interesting to note that, about that

time, the province of Ontario went to the money marts and had to pay 4 per cent.

There can be no doubt, as I have said, that Saskatchewan, under this Government, has climbed from a position of bankruptcy to a sound financial position, with a greatly reduced debt and is well on the way to a pay-as-you-go basis.

While the province has been climbing, or has been pulled, out of the financial quagmire in which we found it in 1944, what has been happening to our municipalities? How have they fared? What has happened to the mill rates? How about the municipal debt position? Well, I would say, Mr. Speaker, that in my humble opinion the municipalities of this province have felt the beneficial effects of the improved financial position of the province. I am not trying to suggest that our municipalities have found no difficulty in financing or that they have not had their problems. On the contrary, I am quite fully aware of the problems which our municipal governments have been, and are, faced with. But I am going to suggest, Mr. Speaker, that Saskatchewan municipalities have fared better, and have been able to hold down their mill rates to a far greater extent than the municipalities in our neighbouring provinces of Alberta and Manitoba.

I would like to quote just a few statistics, as our friends across the way are prone to forget when the occasion suits their purposes. Some of these comparisons have been made in this House before, but I think they will bear repeating. First let us take a group of 26 municipalities along the Manitoba-Saskatchewan border, and also 26 along the Alberta-Saskatchewan border – 13 on either side. In looking at the mill rates, what do we find? Well, we find that on the average, the 13 municipalities in Manitoba have a mill rate 8.63 per cent higher than those on the Saskatchewan side. Moving over to the Western border we find that the Alberta group of municipalities have, on the average, a mill rate 2.53 per cent higher than those on the Saskatchewan side.

If you wish, Mr. Speaker, you can move away from the borders and take some examples more from the central parts of the provinces. In Manitoba, for example, the municipality of Dauphin last year had a mill rate levy of 90.6 mills. In Alberta in the municipality of Stony Plain, their mill rate last year was 73.75 mills. On top of that, too, that particular municipality was charging their ratepayers 4 mills for hospital agreements. An example of a similar municipality in Saskatchewan is Montrose, which has a mill rate of 46.9 in 1955.

Let us look at it in another way, Mr. Speaker. How about the tax burden per acre on farm land? Looking at it from that point of view, we find that Saskatchewan again is lower. In Alberta, the tax burden per acre in 1953 was 27.2 cents; in Manitoba, it was 43.7 cents and in Saskatchewan only 22 cents. What is the picture with respect to municipal debt? According to the Bank of Canada Statistical Summary, Financial Supplement for 1954, the municipal debt increased in the period 1950-1954. In Saskatchewan, the municipal debt rose \$1.6 million, or 21.9 per cent. In Manitoba it rose \$1.7 million or 29.8 per cent. In Alberta, with all their oil revenue, the municipal debt rose by \$9 million, an increase of a staggering 97.8 per cent.

I should point out that one major factor in the debt reduction was the cancellation by this Government of the seed grain liabilities which burdened the municipalities when we took office. As I have said, Mr. Speaker, it is true our municipalities have had their problems, and have found it necessary to increase their tax levy. It could not be otherwise in view of the inflationary trend of our economy since the removal of price controls in 1946; the trend which has sky-rocketed the cost-of-living, the farmers' production costs, and the costs of provincial and municipal governments. However, I believe the comparisons and statistics I have quoted prove conclusively that the problem is not confined to Saskatchewan, and that Saskatchewan municipalities have fared better under this Government than in other provinces.

The reason why our municipalities have fared better is because this Government, being fully aware of their problems, has consistently sought ways and means of easing their burdens. I don't mean simply by increasing grants, Mr. Speaker, although grants to the municipalities for various purposes have increased many-fold since 1944. Grants are not the only means of easing the burdens of the municipalities, nor are they the ultimate answer to their problems.

In considering assistance to the municipalities, we should keep in mind the many responsibilities which this Government has assumed; responsibilities which under former governments were left with the municipalities. The cancellation of the relief debts mentioned previously, the assumption of many responsibilities in the field of health and social welfare and other duties, have meant millions of dollars annually to our municipalities which, if they had to raise the money themselves, would have necessitated a substantial increase in the mill rate.

We should remember too, Mr. Speaker, that by turning back the Public Revenue Tax to the municipalities, many thousands of dollars were made available for municipal services. If this Government, like former governments, had decided to do nothing about the welfare of the aged, the sick and the destitute; if they had decided not to set up a hospital plan, or to take over and improve child welfare, or to see that the mothers, and orphans, the blind, the infirm were properly cared for; if they had decided not to provide free cancer treatment and free mental health care, among other things, they could have sat back and made good fellows of themselves by handing out more and more money in grants to the municipalities.

In that case the cost of assuming the responsibilities I have enumerated would have fallen on the municipality or the individual. I repeat, Mr. Speaker, when we assess the assistance provided the municipalities, it is only fair we look beyond assistance by way of direct grants, and consider all the indirect assistance that is provided. There are, of course, those who argue the Government should be doing more for the municipalities in certain fields, education for example . . . I might agree that we should be doing more for education.

Mr. McDonald (Moosomin): -- Then do something about it.

Mr. Brown (Last Mountain): -- But, when there is only so much money to spend, who is to argue that the municipalities would be better off if they had been given more assistance for education, if they had been left with the responsibilities for financing the needs of their ratepayers in the fields of health, social welfare, and public works which the Government has relieved them of? If the money available had been given to the municipalities for education, it would not have been available for assistance in other fields, and the municipalities would have had to raise the funds required anyway.

I feel sure that now this Government has overcome most of the problems they were faced with in 1944, they can be depended upon to tackle those remaining. I know this Government realizes that more assistance to education is of paramount importance and is determined, over the next few years, to do their utmost to continually increase education grants to the point where the province will be defraying over 50 per cent of the costs of education. I am confident that this Government will not be content until that is accomplished.

Mr. Cameron (Maple Creek): -- Let the cat out?

Mr. Loftson (Saltcoats): -- I wouldn't trust you.

Gov't Member: -- Well, you'll never get the chance.

Mr. Speaker: -- Order! Order!

Mr. Brown: -- Mr. Speaker, there are a great many matters referred to in the Speech from the Throne which I would like to discuss. Time will not permit me to deal with them all. There is, however, one other matter which I would like to mention briefly, for several reasons: first, because of the outstanding record of achievement; second, because of the tremendous effect on the welfare of the people of the province, and particularly because it has meant so much to the people of Last Mountain Constituency; third, because it is being used as a political football by the Opposition with a view to influencing a few votes, by making ridiculous, impossible promises and misleading statements. I refer to Power development.

In this field, Saskatchewan has established a record second to none in Canada. And yet, instead of proudly telling the world what has been accomplished in this field, my hon. friends opposite, because of a feeling of frustration due to the knowledge of their own sorry record during all the years in office, continually disparage the efforts of the Power Corporation and desperately try to prove the job could have been done better. I say, Mr. Speaker, every Member of this House – yes, every person in this province, should take every opportunity to point with pride to the almost unbelievable progress in power development which has been made in a few short years.

I remember very well a cute, catchy little slogan the Opposition used in 1952 when they were trying to “kid” the public that they had a magic formula with which they could provide power for nothing. Remember it, Mr. Speaker? They said: “Electricity is a might giant, powerful, tireless, dependable.” They were certain right, Mr. Speaker; but the people of Saskatchewan didn't know anything about it before 1944, because the Liberals had done an excellent job of keeping the giant caged.

What was the situation with respect to power when this Government took office? Briefly, Mr. Speaker, in 1944 there was no overall provincial power grid, just a few scattered power stations serving local areas. Large-scale generating equipment and facilities were desperately inadequate. High tension transmission lines were virtually non-existent. There was no farm electrification programme – only 136 farms had power. The Power Commission, after 15 years of operation, had only 1,626 miles of line serving only 146 towns and villages, and had only 12,989 customers. Rates were so high they were almost prohibitive, especially to farmers; 15 cents per K.W.H. was common, and in some cases it was as high as 20 cents. Total investment in power facilities was a mere \$7½ million, and, to top it off, the Power Commission had a deficit of about \$500,000.

Mr. Danielson (Arm River): -- That's untrue – absolutely untrue.

Mr. Brown: -- What a record, Mr. Speaker! What is the situation today? We have an overall provincial power grid. Generating facilities have been built up to carry the increasing load. In four years, from 1951 to 1955, generating capacity increased from 86,000 kilowatts to 161,000 kilowatts. Extensions now under way at Estevan and Saskatoon will increase the capacity another 63,000 kilowatts. Transmission and distribution lines at the end of 1955 amounted to approximately 30,500 miles. 750 communities were being served, and there were approximately 120,000 customers. Farm customers amounted to 32,500 and by the end of this year that figure will be raised by 40,000 farms. Rates have been reduced five times; the last reduction just recently announced.

Mr. McDonald (Moosomin): -- They are still five times what they should be.

Mr. Brown (Last Mountain): -- Investment in power facilities has risen steadily as the great expansion programme developed, until it now stands at \$95 million. The half-million dollar deficit in 1944 has been turned into an annual earning which is plowed back into the business to help finance the ever expanding programme.

Some of our friends across the way like to point to Manitoba and ask why we cannot provide power on a similar basis! I say, Mr. Speaker, that those people, if they are aware of the facts, are merely trying to mislead the people for political purposes or are so woefully lacking in sound business judgment they should never be allowed to administer or decide policy for a utility which could be so easily wrecked by their stupidity. I often wonder if our friends opposite think that we on this side are so politically naïve that we would risk antagonizing the electorate of this province by deliberately denying the people power on a similar basis as Manitoba, if it were economically feasible to do so. We like votes as much as anyone else, Mr. Speaker, and would be glad to win new friends by providing free farm power if it was possible to do so. We refuse, however, to jeopardize this great utility for selfish political purposes.

Let me say this, Mr. Speaker, that if our friends will examine the situation that pertains to the Power Corporation of this province, they will know that they are trying to kid the public and are offering something that just cannot be done. It kind of hurts a little, doesn't it?

Mr. Speaker, I could go on. There is much more I would like to

say with regard to power in this province, but time will not permit, so I am only going to say this in conclusion . . .

Mr. McCarthy (Cannington): -- You were reading pretty good.

Mr. Brown (Last Mountain): -- If I were asked to sum up the record of this Government over the years since they took office in 1944, I would say this, in a very few words, that with the teachings of Christ and the Bible as their guiding influence, with a vision in their minds of a society based on justice and equality for all, with a programme for security, development and expansion, they planned, they promised, they performed!

I move, seconded by Mr. Begrand:

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

TO HIS HONOUR THE HONOURABLE WILLIAM JOHN PATTERSON,
Lieutenant-Governor of the Province of Saskatchewan.

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

Mr. H. Begrand (Kinistino): -- Mr. Speaker, in rising to second the Address in Reply to the Speech from the Throne, I wish to congratulate the mover, my deskmate, the Member for Last Mountain, for his fine address.

I am conscious of the honour bestowed upon me, but especially upon the Kinistino Constituency, which I have had the honour and the privilege to represent in this House since 1952.

As usual, since 1944 when this Government was first elected to office, I have had the extreme pleasure of noting that the Speech from the Throne revealed a continued policy of progress for Saskatchewan and extended services to our people.

The hon. Member for Last Mountain in his wonderful address has covered many points of interest in the services provided since 1944 by this Government. I would like, at this time, to deal with four topics of common interest, which are highways, agriculture, health services, and municipal roads.

Dealing first with our highway system, I would like to offer proof that Saskatchewan highways have been improved since 1944, by reminding this House of how they were currently described in 1944 by most people in this Province, and by outsiders as well, as nothing short of 'cow trails'. An idea of the gigantic task to be performed may be gained from the fact that Saskatchewan has some 38 per cent of the entire road mileage of Canada, and 7 per cent of its country's population. When this Government took office, it took over a worn-out highway system. The inefficiency of the Liberal administrations prior to 1944 had left provincial highways in a state of advanced deterioration.

It is no wonder. In the years 1940 to 1944 inclusive, the Liberals spent a total of \$8,500,000 on highways. The C.C.F. government was spending more than \$8,000,000 in one year as early as 1947-48. By 1951-52, our budget had increased to more than \$12,000,000, and now our highway budget is close to \$20,000,000.

In 1952, the Government launched a five-year programme for highway construction. We promised that a total of \$75,000,000 would be spent in that five years to bring good highways to the people of the province. Mr. Speaker, we are a Party that fulfils its commitments. In the five-year period since 1952, we will have spent more than \$75,000,000. 1955 is an example of the amount of work this Government is prepared to do for the farmers and city people alike. Last year 432 miles of road were graded; 118 miles of base course were laid; 148 miles of hard surfacing was built; 80 miles of roadway was oil-surfaced, not to mention the hundreds of miles of gravelling and re-gravelling that was accomplished. It is all the more remarkable that this kind of programme was able to be completed in spite of the unfavourable weather conditions last year.

Increased road building programmes have meant increased expenditures. During the period 1919 to 1953, the gross highway expenditures totalled more than \$173 million. Of this amount, more than \$100 million, or more than 58 per cent of the total, was spent in a ten-year period from 1944-1953. By 1955, yearly expenditures on provincial roads have become more than six times as great as they were in 1944. For the fiscal year 1955-56 provincial funds voted to the Department of Highways reached a record high of more than \$19 million.

Saskatchewan highways today, Mr. Speaker, are a far cry from the Liberal days when the motorist might run into a sign which would read:

“Jimmy Gardiner’s Highway. Choose Your Rut Here. You Cannot Change it for the Next 12 Miles.”

We have come a long way in giving the people of this province the highways that they need. Never before in the history of this province have the people got as much out of their tax dollar for highways, as they have since 1944.

More work has to be done. Some of our highway problems remain to be solved. For example, I am presently convinced that the '44 Trail in the Kinistino Constituency should become a provincial highway. Highway No. 20 should be extended north. These are matters I shall pursue presently with the Minister of Highways.

Aid to rural municipalities, in an effort to provide better roads for our Saskatchewan population, has been greatly increased since 1944. For instance, increased grants have been made to municipalities for construction of market roads. A new bridge policy has been inaugurated whereby the province pays from 20 per cent to 80 per cent of the cost of municipal bridges, depending on the number of bridges in the municipality, and the assessment. Since 1952, the province has assumed the full cost of bridges over 100 feet in length.

By 1954, aid to rural municipalities and local improvement districts

for roads other than the provincial highway system, was more than five times what it was in 1944. In addition, the removal of the public revenue tax of two mills in 1952 raised these benefits by at least \$1,320,000 each year since 1952. This tax of two mills on all land in the province was imposed in 1917 on the people of the province by the Liberal government of that time, but it was removed by the C.C.F. government in 1952.

Mr. McDonald: -- After voting against not removing it.

Mr. Begrand: -- In addition to this, yearly increased assistance to the R.M.'s has already been outlined. An extra \$1 million was allocated during 1955 to the R.M.'s of the province which had sustained flood damage to roads and bridges. As this was a national disaster, the help to the municipalities could have been much greater had the Federal Government accepted their share of the responsibilities, such as they did in Manitoba and British Columbia a few years ago. But, as for the flood damage to agriculture, they refused assistance of any kind.

It has already been announced, and has also been mentioned in the Speech from the Throne, that this Government will assist the municipalities of this province in building a main market road grid, comprising about 12,000 miles of road, and costing a total of \$50,000. I am sure, Mr. Speaker, that this comprehensive plan, and the assistance the Government has in mind, will meet with the approval and be welcomed by the municipalities and the people of this province. The Speech from the Throne points out that details of this grid system are being presented to the municipalities for their approval or revision. We are also being asked to authorize sufficient funds in order that this project can be started this year. Mr. Speaker, this is an expenditure of money that I will heartily support and endorse.

As far as I am concerned, this is a new venture in provincial-municipal relations. I have spent 15 years as a reeve of a municipality in this province, and I have intimate knowledge of the problems of the municipalities, especially the problem of finding money to build roads. Never have I come across any municipal road assistance programme that will be as helpful as this one. With this announced programme the municipalities of this province have really hit the jackpot.

Mr. Danielson: -- Ho! Ho! Ho!

Mr. Begrand: -- I have already noticed criticism of this plan by the Liberal Party of this province. It is suggested that we are forcing municipalities to spend money that the Provincial Government should spend. I reject this criticism outright. Under this plan we are not forcing the municipalities to spend money that we should be spending, for the Government will be paying 50 per cent of the cost of this grid, or \$25 million. Therefore, as far as I am concerned, we are helping the municipalities to spend money that they would spend anyway, and we are helping them to spit it in the right way, namely to build good, all-weather gravelled roads in a grid system. This co-operative grid plan is a unique road-building project without parallel anywhere on the continent. This 12,000 mile grid to be built in a ten-year period or less, will be a tremendous undertaking. The total mileage will be one and one-half times the size of the present highway system.

This won't solve all the road problems municipalities have got.

I know that. But it will be of tremendous help. In order to help with other road problems in the municipalities, the Provincial Government has already announced that it is going to continue to provide yearly grants to municipalities on an equalization formula. For years I have looked for such a plan. Now that it is here, I am sure that the majority of the rural people in our province will be just as happy as I am about it. I do believe it is in order at this point, Mr. Speaker, to congratulate the Minister of Municipal Affairs and the Minister of Highways for the fine leadership and guidance they have given to this project.

I am a farmer, and I am delighted to see more and more industries established in our province. Last year has been a good year for this. As far as I am concerned, the diversification of our economy will help the farmers. But agriculture has been and will continue to be the province's most important source of wealth. We farmers have had a good record as far as land and water utilization is concerned. This has increased production.

The Department of Agriculture of the C.C.F. Government has also had a good record in looking after the interests of the farmers. The Department's whole programme is a long range one, and year by year Saskatchewan comes closer to reaching the ultimate goal of a stable and secure agriculture.

In 1949 the Saskatchewan Government, as a part of its programme to stabilize the province's greatest industry, agriculture, set up a branch of the Department of Agriculture, the Conservative and Development Branch, which is probably unique among the provinces of Canada in the job it performs.

In 1953-54, the branch had an appropriation of \$1,300,000 to carry on its task, part of which was the building of ditches for 312,000 acres of land in the north-east part of the province; 100 miles of drainage ditches; 52 structures; 37 miles of colonization roads built within new settlement areas; 480 miles of fence built for 380,000 acres of pasture.

In 1954-55, approximately the same amount has been earmarked to carry on this important work. The need for this conservation and reclamation and development work is a sign of the changing times. New land is scarce.

However, the Conservation and Development Branch is only a small part of the functions of the Department of Agriculture. Everyone knows of the valuable work done by the Agricultural Representatives. There are 37 Ag. Reps. and three Assistant Ag. Reps. in the field today, compared with only 21 in Saskatchewan twelve years ago. They are the most important link between the farmers and the numerous agencies of the Department of Agriculture, making available to the farming public the fruits of scientific research and practical solutions to farm problems.

In addition the Animal Industry Branch and the Plant Industry Branch have been greatly expanded and improved under the C.C.F. Government.

Every year since 1944, more and more money has been spent on stabilizing our basic industry. In 1944, the former Liberal government spent less than \$1 million for agricultural purposes. In 1955-56 for the first time in Saskatchewan's history almost \$5 million will be spent in assistance to agriculture.

In addition, Mr. Speaker, the Government, this year, has allocated an extra \$1 million over and above the estimates for the Department of Agriculture in order to increase assistance to take care of the emergency which arose last spring due to exceptional flooding conditions. This money was used entirely to step up farm land drainage programme in Saskatchewan. It was estimated that the flood damage in Saskatchewan to roads, bridges and land was \$5 million. This matter was brought to the attention of the Federal Government with a view that the Federal Government would have shared in the cost of the flood damage on the basis of the assistance they granted during the Winnipeg flood and in the Fraser Valley floods in British Columbia. However, after having considered the situation for approximately six months, the usual answer came from Ottawa – no help! It would be logical, Mr. Speaker, to have expected every Liberal M.P. from Saskatchewan, as well as every member of the Opposition, to have raised their voices in unanimous protest to the Federal Government in their very unfair decision on this important matter. But, as usual, instead of fighting for the interests of the people they represent, they chose to remain silent, even supporting Ottawa.

A word or two about Federal aid to agriculture, Mr. Speaker. When price controls were lifted after the war, the doom of agriculture was written on the wall. Since that time there has been a gradual increase in the cost of living and production, and a gradual decline in agricultural prices. Is it any wonder that agriculture finds itself again in economic chaos at the present time? The reason – the farmers as a whole have and are producing grain at below cost of production. What is the solution? Parity prices, cash advance on farm stored grain, and farm storage assistance.

The western farmer is being accused today of asking the rest of the country to subsidize his products. When one looks back over the past 70 or 80 years, it is obvious that certain manufacturers started government subsidies. They have always sought protective tariffs, and all governments have given them. Even during the last few months, representatives of foreign countries have come to Canada to buy wheat and barley, but only if Canada could import goods at proper terms. But, Canada cannot import these goods at proper terms because of tariff barriers.

The real struggle today is between the grain producer of the West and the protected industries of the East. For years the farmers fought for freer trade, but never got it. Agriculture has never got its fair share of the national income. Circumstances are forcing the farmers today to ask for parity prices and government subsidies. The protected industries of the East have been receiving subsidies in one form or the other for the past 80 years, and they have done very well at it; but western agriculture has mostly paid for it.

The matter of parity farm income is of grave concern to every Saskatchewan resident. People rightfully expect and demand decent living conditions, and better government services generally. Everyone, except some political critics, accept the fact that more money is required for this purpose. It is, therefore, expected that sufficient income must be provided to sustain improved rural living, by providing rural electrification, better roads, better education services, and they want the cash to pay for them. It is also evident to everyone, except Ottawa and the hon. members

of the Opposition, that the primary problem is shortage of farm income. Therefore, irrespective of the fact that the Hon. Mr. Howe and the Liberal Government have said “no” to grain subsidies and parity prices, subsidies for the farmers are a ‘must’ and must be implemented immediately.

Mr. Speaker, I would like to discuss briefly the predicament of our municipal institutions in the light of increasing demand for services from them by our modern society. People generally agree that in a modern state, it would be impossible to preserve democracy, without preserving our municipal institutions. Under the B.N.A. Act, the provinces, and, therefore, the municipalities, were restricted to the raising of revenue by direct taxation, or by licences only. The present growth of social services, paid for by the provinces and municipalities, was a development the Fathers of Confederation never dreamed of.

The growth of social services found the national government with the money, or access to it, whereby the provinces were constitutionally liable for the services, as matters of property and civil rights, yet had no money or access to it. In view of those facts, it was obvious that the provincial government was limited in what assistance could be provided the municipalities.

The two main problems facing the municipalities today are the construction and maintenance of roads, and costs of education. The road problem was particularly heavy in Saskatchewan where 145,000 miles, exclusive of urban streets and provincial highways, was about one-third of the entire road mileage of Canada.

Costs of education had become tremendous even a decade ago and, at about \$35 per capita, were beginning to hurt the taxpayer. Land taxes cannot be increased to meet these needs. The Federal Government must come to the assistance of the province and the municipalities in the matters of highways and education.

The Federal Government collects 74 per cent of all the taxes, the provinces collect 17 per cent, and the municipalities collect 8 per cent. Is it any wonder that, under a taxation set-up as outlined, the provinces are meeting great difficulties in carrying out such essential services for their people as education and roads.

It is evident that the Federal Government is the only tax collecting power that can do much for urgent problems, which cost a lot of money, such as I have mentioned. Therefore, federal aid for highways and education is urgent.

Mr. Speaker, I would like to dwell for some time on the increased health benefits enjoyed by the people of this province under a C.C.F. government.

The broad conception of the goals of a health agency has been the guiding principle of the Saskatchewan Government’s health programme. Among the principles that are basic to happiness,, harmonious relations and security to all people are:

Health is a state of complete physical, mental and social well-being, and not merely the absence of disease or infirmity.

The achievement of any state in the promotion and protection of health, is of value to all; and

Governments have their responsibility for the health of their people, which can be fulfilled only by the provision of adequate health and social measures.

The job done by the C.C.F. Government of this province in the field of public health has won many plaudits. The Hospital Services Plan has helped thousands of people through periods of illness, which they would not have otherwise have been able to meet financially. The plan is now in its 10th year of operation. The plan has aptly been described as “a perfect example of the strong helping the weak.”

In the year before this mammoth piece of social legislation went into operation only 118,000 people went to the hospitals; but last year the total was 169,000 which means that it is reasonable to conclude that prior to the Plan there were upwards of 50,000 people who could not afford hospitalization in this province.

Hospital accommodation in Saskatchewan was less than four beds per thousand in 1944, and as a result, when the Hospital Services Plan went into operation, a programme of grants to assist in the building of new hospitals and to provide extensions to many already existing, was necessary. The result today is that there are 7½ beds per thousand people – the number which medical authorities say is needed to meet the demand for hospital care. This is a figure equalled by no other province of Canada, and surpassed by only two states in the entire United States.

Since 1947 the Plan has paid out over \$100 million on hospital care for the people of Saskatchewan. During this time, about 13 million days of hospital care have been provided for the people of the province.

Now a word about our mental health programme. The work done in this field, too, has won international attention. Dr. Karl Menninger of the Menninger Clinic of Topeka, Kansas, who is acknowledged to be one of the world's leading authorities on mental health, visited Saskatchewan a few years ago, and told the province that “You ought to be proud of yourselves.” Saskatchewan's psychiatric leaders, he said, were supreme in their field, adding that, to his knowledge, this was the only area in the world that had all the competent psychiatrists it presently needs.

Before the C.C.F. assumed office, the two mental hospitals in the province were overcrowded and in a tragically sloppy condition. Psychotics and defectives were herded together like cattle. The small staff was overworked, with wards being administered by one lone girl on duty. Doors were locked and there was no means of communication. Help was paid a pitiful \$64 a month on shifts of 72 hours a week. The notable progress to which Dr. Menninger referred has taken place, Mr. Speaker, within the life of this Government.

In the field of cancer treatment, until 1944 there was no free treatment or adequate cancer programme in this province. However, on assuming office, the Government, recognizing the need to conduct a determined fight against this deadly disease and to relieve cancer sufferers of financial worries, instituted an outstanding cancer programme, which includes two large clinics which provide free treatment to thousands of patients each year.

In October of 1951, a radioactive cobalt beam therapy unit, designed by Dr. H.E. Johns, physicist to the Saskatchewan Cancer Commission, was built in Saskatoon. It is now installed in the new University Hospital. It was the first time that radioactive cobalt had been used anywhere in the world. Another first for Saskatchewan.

Health services of all kinds were received by 35,000 Saskatchewan residents at the end of 1955. Necessary medical aid is given to old-age pensioners and their dependants, recipients of Mother's Allowance and their dependants, certain classes of incapacitated fathers. Adequate care, therefore, is guaranteed, irrespective of ability to pay for it.

Air Ambulance Service is another first for this Government. This service was established on February 2, 1946, and is available to any resident of the Province of Saskatchewan, regardless of where he may live, for a few of only \$25. It has provided a major link between outlying areas and the competent facilities of the modern urban hospital, and no doubt has saved numerous lives.

Another first for our C.C.F. Government is the new Medical College and Hospital at the University of Saskatchewan at Saskatoon, completed and officially opened in May of 1955. The Medical College and Hospital are designed to meet an increasing need for medical personnel, and to provide post-graduate training and refresher courses in various branches of medicine.

Mr. Speaker, I have only mentioned a few of the major achievements of this Government in the health field. There are several others, such as Health Regions, Mental Health Clinics, research, nutrition, dental health, free vaccine, etc.

Our scheme has been in operation since 1947. Now, almost 10 years behind Saskatchewan, the Federal Government is proposing a hospitalization scheme for Canada. It is obvious to me that the C.C.F. is a party of action. The Liberal Party will do nothing until they are forced to it by public opinion.

Mr. Speaker, fifty years is a short time in the history of a people. Yet, during that time, Saskatchewan has developed from a pioneer economy to one of the breadbaskets of the world.

The C.C.F. can take some pride in the physical and material progress Saskatchewan has made during the past eleven years. We have been endeavouring with considerable success to build a varied industrial economy on the agricultural foundation so well and truly laid by our forefathers.

There is no doubt in my mind that Saskatchewan has embarked upon a period of industrial and economic expansion which will not only provide employment for our people, but will also bring very substantial revenues to our

province; thereby enabling us to further expand our services to the people of the province.

The true greatness of the Saskatchewan people is to be found in the spiritual and social values which they have developed. First among these I would place the great spirit of tolerance which has so long characterized our people. Our history has proven that we have learned to live together in a spirit of goodwill, and have demonstrated that it is possible to have unity without uniformity.

Saskatchewan has placed on its statute books the only 'Bill of Rights' in Canada, because in this province we have learned from the pioneers how to live and let live.

The other great asset of Saskatchewan people has been their capacity to work together for the common good. It is significant that although we are one of the youngest provinces, and far from being the wealthiest, yet we have led all of Canada, since 1944, in our cancer programme, our mental health care, in our hospital services, and in other fields as well. Our Automobile Insurance Plan is the envy of the whole American continent.

We have made a beginning in bringing a greater measure of security to our people. It is my responsibility, and I feel the responsibility of every member of this House, to see to it that we continue to work toward the further improvement of the welfare and security of the people we represent.

I have lived in the Province of Saskatchewan for 60 years, next March, all of which were lived in the Hoey district. Out of these 60 years, only the last 12 years, or since 1944, have been really enjoyable; for it has only been since 1944 that the people of Saskatchewan have been enjoying the numerous services that they are now enjoying under a C.C.F. Government.

The implementation of these services should have been possible many years ago, but it has been quite apparent that the people of Saskatchewan have had to wait until the advent of a truly progressive government, a C.C.F. government, to receive the benefits of life which should be their human birthright. Of course, prior to 1944, we were governed in this province by the Liberal regime, which prided in calling themselves the "free enterprisers." Mr. Speaker, the only free enterprise enjoyed under this political regime, was the freedom of being denied the essential government services to the people of this province.

I have great pleasure, Mr. Speaker, in seconding the motion of the hon. Member for Last Mountain.

Mr. McDonald (Leader of the Opposition): -- Mr. Speaker, I would like to draw attention to the rule regarding the reading of speeches, and I quote from Beauchesne, 3rd edition, No. 238:

"It is a rule in both Houses of Parliament that a member must address the House orally, and not read from a written, previously prepared speech, for the reason that 'if the practice of reading speeches should prevail,

members might read speeches that were written by other people, and the time of the House be taken up in considering the arguments of persons who were not deserving of their attention'."

Mr. Walker (Hanley): -- You would know all about that!

Mr. Speaker: -- Order!

Mr. McDonald: -- Mr. Speaker, I know that speakers from both sides of the House do refer very closely to notes and some of them read speeches. I don't think this practice should go on unchecked. I think if a person has something to say he should say it and not read it. I am not referring to the mover or seconder of this Address in Reply exclusively; others do it as well.

Hon. Mr. Douglas (Minister of Highways): -- The worst offenders are over there.

Mr. Walker (Hanley): -- They can't even read.

Mr. Speaker: -- Order! I quite appreciate what the hon. member has said about reading speeches, but I would point out that it is often quite difficult to determine whether a member is referring closely to his notes or reading from them. When so many statistics are used it is frequently necessary to refer to notes. As a matter of fact, when I do check up a member, he usually says he is following his notes closely.

I would also point out that the seconder of the motion is speaking in a language other than his native tongue, and I do think that some leniency should be extended in that case. However, I will certainly enforce the rule regarding the reading of speeches where I detect any flagrant abuse.

Mr. McDonald: -- I want to assure you, Mr. Speaker, that I am not referring to the second of the motion, but I do think that the rule should be enforced 100 per cent, and enforced for both sides.

Mr. Walker (Hanley): -- A new day has dawned!

Mr. Speaker: -- Order! I will assure the hon. member that I will give consideration to what he has said.

Mr. A.H. McDonald (Leader of the Opposition): -- Mr. Speaker, I should like at this time to congratulate the mover and seconder of the Address-in-Reply, and also to congratulate you, Sir, on again being appointed Speaker for this present Session. I understand from statements in the press that you will not be contesting the coming election and, therefore, will be completing your service to this Province as a Member of the Legislature and as Speaker of this Assembly.

I would also like to congratulate other Members of this Legislature who, I understand, are retiring from public life at the close of this Session, namely, our Deputy Speaker, Mr. Wellbelove (Kerrobot-Kindersley); Mr. Thair,

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(Lumsden); Mr. Gibbs (Swift Current); Hon. Mr. Corman (Moose Jaw); Mr. Swallow (Yorkton); and Mr. Buchanan (Notukeu-Willowbunch).

We all owe the retiring members a great deal as citizens of the Province of Saskatchewan. It is my belief that every member of this Legislature must forsake a lot of his home life, a lot of the opportunities he may have had down through the years to better his own position, by taking a part in public life; and I personally would like to extend to the retiring members my personal thanks and congratulations for the part they have played in the public life of this province.

Now, this afternoon, I was rather amazed at some of the statements that were made here, and I am only going to refer to one or two of them this afternoon, but I hope to say more tomorrow. I was rather amazed when the hon. member for Last Mountain said that this Government has consistently found ways and means of easing the burden carried by the municipalities. I sincerely hope that every municipal councillor in this province heard that.

Mr. Cameron (Maple Creek): -- I hope so, too.

Mr. McDonald: -- This Government has done nothing in the 12 years they have sat in this Assembly other than to heap burdens and troubles upon the shoulders of the rural municipal councils of this Province. Now they come up, and they propose a scheme, whereby they are going to support 50 per cent of the total cost of education – 12 years after they made a promise to pay 100 per cent of the total cost of education.

Mr. Cameron: -- Future years, they said.

Mr. McDonald: -- Well, I ask you, Mr. Speaker. The election promise was “You elect us, and we’ll pay 100 per cent of the cost of education. After 12 years in power, they say “If you re-elect us, we will work towards paying 50 per cent.”

Some Gov’t Members: -- Ha! Ha!

Mr. McDonald: -- Ah! Yes. There was considerable said here this afternoon about the remarks that I have made, both in and outside the Province of Saskatchewan, in regard to industrial development. But you know, there are few people who move very much until you start kicking them where it hurts, and that is probably the great reason why this Government, and the supporters of this Government, have taken issue with my statements in regard to industrial development. I intent, tomorrow, to say considerable in regard to industrial development, and I intend to repeat in this Legislature what I have said in other parts of this province, and what I have said in places outside the Province of Saskatchewan. So, I will leave that question until tomorrow.

I was also rather amazed at the statement of the Mover of the Address-in-Reply that the rates being charged for electricity had been reduced on five occasions. All that I can say is that they are double what they ought to be today. If they have decreased them five times,

I don't think they decreased them anywhere near what they ought to have done up to this time. They ought to adopt the policy that we have advocated in regard to the generation and distribution of electrical energy, and we contend that this is the only practical scheme, only possible scheme, as a matter of fact. I would just like to draw the hon. member's attention that, under a sort of rather haphazard government in the Province of Alberta, we have a system of distributing electrical energy where it costs the rural subscriber a thousand dollars to get it. In Saskatchewan, under another off-coloured government, it costs the rural subscriber \$500 to get the services of electricity. Under a stable Liberal government in the Province of Manitoba the farmers paid nothing.

Mr. Danielson (Arm River): -- Hear, hear!

Mr. McDonald: -- Take your choice, Mr. Speaker, as to whether you want to pay \$1,000, or \$500, or nothing! The policy in Manitoba is practical and sound. It has just meant that the vast majority of farmers in Manitoba are today receiving the benefits of rural electrification, while here in the Province of Saskatchewan, despite all the propaganda that has taken place, at the end of this year, I understand that approximately 29 per cent of our farmers will be receiving the benefits of rural electrification.

We have also heard quite a bit here, this afternoon, about the Federal Government. Now, I don't know; I am not going to defend the Federal Government, I suppose they have got enough Members of Parliament down there to defend themselves. All I am going to say is that it is amazing to me how a government that have done as little about the situation and the plight that our farmers find themselves in at the moment, as this one has done, have the audacity to criticize anybody.

Mr. C.G. Willis (Melfort-Tisdale): -- What about "Jimmy" Gardiner?

Mr. Speaker: -- Order!

Mr. McDonald: -- Mr. Speaker, when our farmers find themselves in difficulties, is it not as much the responsibility of a provincial government in that province as of the Federal Government in the House of Commons in Ottawa to take some steps to alleviate the conditions that the farmers find themselves in at the moment? Now, I ask you; what has this Government done in the last year or the last 12 years? Oh, they talk about their flood programme; they talk about a work-and-wages programme. Neither one of them amount to a great deal. If you people had been out and doing the job that you ought to have been doing, when the municipalities and the Members of the Opposition were asking you to take steps that would have prevented the flood that happened last year, but what did you do? You sat back and said, "Oh, no; and I hope it doesn't rain next summer, and it will all dry up." Well, it didn't dry up last summer and last spring. The flood that occurred in this province took 13 years to arrive here, and you sat on your haunches and did nothing about it; and when the flood arrived you threw your arms up in the air and said, "Ottawa, come and help bail us out."

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There are many, many resolutions, and many, many letters that have poured into this Department of Agriculture and into the Department of Municipal Affairs of this Government over the past five or six years, warning this Government that a flood was approaching. What do you do? You sit here until the water tables rise to the very top of the ground, until every depression was full of water. Then what do you do? "Oh, we haven't the resources at our disposal – Ottawa come and help us!" This Government had the greatest case of the "gimmies" that any government ever had in the history of this nation.

I have said a few things here this afternoon criticizing this administration and there are many other things that I will refer to tomorrow, sir. By the time I have looked over the notes that I have prepared on what has been said here this afternoon, I sincerely hope to be able to add considerable to this debate.

I believe, Mr. Speaker, that this is probably one of the most crucial Sessions of the Legislature that we will face. We find that our farmers in Saskatchewan are not as well off as they have been for some considerable time.

Hon. J.H. Brockelbank (Minister of Natural Resources): -- Why!

Mr. McDonald: -- Why! Because you people are doing nothing to relieve the burden that you have foisted upon the shoulders of the farmers of this province. That is why.

You talk about 'do-nothing' governments! One of the speakers here this afternoon, mentioned that the Liberal Party had been in power for so many years and nothing had happened. Mr. Speaker, you have lived in this province almost since this province was formed.

Mr. Speaker: -- Before.

Mr. McDonald: -- That's even better, Sir. And it is rather amazing to me when I find people who have lived in the province almost as long as you, Sir, get up and make the statements that have been made here this afternoon. When people say that nothing happened in this province prior to 1944, it is amazing that, last summer, when the Premier and other members of his Cabinet were going about the Province of Saskatchewan taking part in our Jubilee Celebrations, what would they say? They were heaping great praise on the pioneers for the tremendous development that has taken place in our province. Why, just in the Session prior to that, there was nothing that happened until 1944. But, when we went out to celebrate our Jubilee, apparently everything had happened prior to 1944.

Mr. Speaker, in 1905 when this province was formed, what was the situation in Saskatchewan? We had a lot of wide-open spaces growing prairie wool. From 1905 until 1955, if you like, this province has progressed from an area of prairie wool and forestland to the garden of the world, under Liberal administration.

It is my considered opinion that agriculture will continue to

develop in the coming years, and we will not only continue to produce foodstuffs in the abundance that we have been producing them in the past, but even will produce greater quantities of these foodstuffs and in all probability will be producing many new agricultural products.

It seems to me that we must concentrate on developing other parts of our economy. We must make the natural resources accessible so that these resources may be processed in our province, and we can, over the next 50 years, develop the industrial potential of Saskatchewan. If we are going to be able to raise the money to meet the demands of our people, we must turn to some source of revenue other than that derived from our agricultural economy.

Perhaps this would be a good place for me to ask leave to adjourn the debate.

(Debate adjourned)

The Assembly then adjourned at 4:25 o'clock p.m.