

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session – Twelfth Legislature
5th Day

Wednesday, February 15, 1956

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

On the Orders of the Day:

CORRECTION

Mr. A.H. McDonald (Leader of the Opposition): — Mr. Speaker, before the Orders of the Day are called I would like to draw attention to the fact that when I was referring to base metals in my address, yesterday, I referred to “thousands” of pounds, and in each instance it should have been “millions” of pounds, and I hope I will be given permission to change that on the official record.

Also, I note in the daily press a reference to the percentage of education costs paid, in 1944, at 25 per cent; and I believe the figure I used, Sir, was around 20 per cent.

Mr. Speaker: — Has the hon. member leave to have those corrections made?

Agreed

DEBATE ON ADDRESS-IN-REPLY

The House resumed, from Tuesday, February 14, 1956, the adjourned debate on the proposed motion of Mr. Brown (Last Mountain) for the Address in Reply to the Speech from the Throne.

Hon. T.C. Douglas (Premier): — Mr. Speaker, I would like to say how pleased we are to have the university students here from the Saskatchewan University. Some of them have been delayed, but are now in the building, and will be coming into the Chamber in the next little while. I would like to say to those who are here, and to those who are to come in later, how pleased we are each year to act as hosts to the Debating Society from the university. These are young men and women who take an interest in public affairs, and who discuss public questions on the university campus. I think it is extremely important that in all universities there ought to be an increasing number of young people who are taking an interest in social, political and economic questions. We are delighted each year to have them as our guests here during the session, and we bid them welcome, and hope they will enjoy their stay here with us on this occasion.

When I asked leave to adjourn the debate last night, Mr. Speaker, I was about to comment on the remarks which had been made by the honourable Leader of the Opposition.

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At this time I want to congratulate the honourable Leader of the Opposition on the very able manner in which he delivered his speech yesterday. All of us who have had any experience in the Legislature, know that making a speech, especially a major speech, is an ordeal. I have listened to members of Parliament and cabinet ministers in Ottawa who, during their legal careers, have been before the Supreme Court and before the Judicial Committee of the Privy Council. They have told me that they would much rather appear before any court than go through the ordeal of making a speech in the House. All of us are aware of what a task it is. I would like to say to the Leader of the Opposition that in my opinion he conducted himself very ably yesterday.

But have said that, Mr. Speaker, I would like to say that I cannot ever remember listening to a speech in which a member said so much on so many topics about which he knew so little.

Mr. Speaker: — Order! Order in the gallery!

Mr. Cameron (Maple Creek): — You've got some supporters up there.

Premier Douglas: — The Leader of the Opposition is not going to convince the people of Saskatchewan just by making sweeping and irresponsible statements which are not substantiated by facts and figures.

When he began his speech on Monday, he opened with the amazing statement that in twelve years this government has done nothing to ease the burden on the municipalities.

Some Opposition Members: — Hear, hear!

Premier Douglas: — He was careful to make that statement on Monday when he wasn't on the radio. If he had made that statement on the radio, he would have been laughed out of court by every reeve and municipal councillor in the Province of Saskatchewan.

If my honourable friend had said that he didn't think the government had done enough to ease the burden on the municipalities, that would be a subject for debate; but to stand in the House and say that in twelve years this government has done nothing to ease the burden on the municipalities is to reach the height of absurdity. Need I remind this House that when the present government took office, the municipalities of this province were burdened with over \$72,000,000 of seed grain and relief debts, with the result that we had one of the highest per capita municipal debt burdens in Canada. This government, by assuming these debt obligations and removing them from the backs of the municipalities, has now brought the per capita municipal debt of Saskatchewan to the lowest in Canada.

Some Government Members: — Hear, hear!

Premier Douglas: — Yes, both the Liberals and the C.C.F. have done something for the municipalities. The Liberals put the debts on — the C.C.F. took them off.

Then there was a public revenue tax, which a Liberal government put on in the year 1917, and kept on during all the years they were in office until they left in 1944. That tax was on all the private property of the province. It brought in an annual revenue of almost \$2,000,000, and it stayed on until it was taken off by a C.C.F. government in 1952. Once again, we both did something. The Liberals put it on, we took it off. We returned to the municipalities annually almost \$2,000,000 of revenue and, in addition, we gave to the towns and cities the amusement tax, which formerly had belonged to the provincial government.

When this government took office, practically the whole burden of social welfare rested on the municipalities, including the care of the sick, the infirm, the aged, and the incapacitated. Bit by bit, we have taken over the responsibility for social welfare in ever larger measures, until today over 80 per cent of the social aid paid in this province comes out of the Provincial Treasury, and less than 20 per cent from the municipalities. Yet my friend says we have done nothing to ease the burden on the municipalities. When we took office, almost the entire responsibility for help for the care of indigents rested upon the municipalities. By providing health services for certain groups of old people, for mothers' allowance cases and for blind pensioners, by providing free care for those who are mentally ill, and for those who suffer from cancer, by doubling the provincial contribution to the anti-tuberculosis sanatoria, by making grants to hospitals and by setting up a hospital programme that covers the vast majority of the people of Saskatchewan, we have saved the municipalities millions of dollars in the course of the last twelve years. Yet the Leader of the Opposition says we have done nothing to ease the burden on the municipalities.

He made another sweeping statement yesterday. He said municipal taxes are higher in Saskatchewan than anywhere on the prairies. Some of my colleagues will deal in more detail with municipal taxes, but I would like to say that the point of view of my honourable friend is not shared outside the province. I happened to be in Alberta during the provincial election campaign last year. Here is a half-page advertisement which appeared in the Calgary 'Herald'. This advertisement says:

“The People of Alberta Want to Know!”

“Why does Saskatchewan, with a budget of \$78,000,000 have a reputation throughout Canada for providing higher standards of care for T.B. and Cancer patients than Alberta, with a budget of \$223,000,000?”

The advertisement says that the people of Alberta want to know why the municipal debt of Alberta is \$187,000,000 when the municipal debt of Saskatchewan is only \$50,000,000. The advertisement also says that the people of Alberta want to know why the municipal taxes per capita in Alberta are \$54.72 when the municipal taxes per capita in Saskatchewan are only \$51.09.

Mr. Loptson (Saltcoats): — That includes the cities too.

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Premier Douglas: — That advertisement inserted in the Calgary ‘Herald’ by the Alberta Liberal Association!

Mr. Loptson: — Mr. Speaker, . . .

Premier Douglas: — If the honourable member will sit down . . .

Mr. Loptson: — Mr. Speaker, . . .

Mr. Speaker: — Order!

Premier Douglas: — I don’t propose to be interrupted by puerile interruptions at this time, Mr. Speaker. The honourable member can make a speech when I get finished.

The Leader of the Opposition has been going around the province saying that the C.C.F. promised to assume 100 per cent of the cost of education in the province.

Mr. McDonald (Leader of the Opposition): — SO you did . . .

Premier Douglas: — Yesterday when he was asked to substantiate that the best he could come up with was a quotation from myself saying that a C.C.F. government would assume our constitutional responsibility for education. Mr. Speaker, we have!

What is our constitutional responsibility? Our constitutional responsibility is to so organize the affairs of the province that in those areas where the tax base will not provide adequate education facilities, provincial revenues will be used in those areas to see to it that no child shall be deprived of an adequate education because he or she happens to live in a poor area. By means of our equalization grants we have done just that. There are some areas in this province in which over 70 per cent of the cost of education is borne by the provincial government.

There is not much use of my friend trying to take refuge in statistics and percentages. The facts are beyond dispute. In the last year the Liberal government was in office their vote for education was \$4,000,000. In this fiscal year which ends on March 31st, our expenditures for education in regular appropriations and supplementaries will be \$16,500,000, or more than four times as much as was spent by a Liberal government on education in the last year that they were in office.

My friends opposite criticize the government about education. I have been trying to find out just what they are going to do about education – what their stand is. The closest I can come to it is a statement which was made by the Leader of the Opposition in Saskatoon, as reported in the ‘Leader Post’, November 9, 1955. He said:

“I, for one, would not vote for the larger school units, although that did not mean a Liberal government would do away with them.”

Now there is a courageous statement. If you can get on

both sides of the fence on an important issue any better than that, I invite anyone to try.

Mr. Speaker, if the gentlemen opposite are as concerned about the municipalities as they tell us they are, why is it that not one of them has stood up in any public place to protest the fact that in the flood, which affected many of our farmers last year and flooded several million acres of land – not a single Liberal has protested the discrimination which the Federal Government showed against the people of Saskatchewan as compared to the treatment which they meted out to the people of the Red River Valley and the Fraser Valley?

When they had a flood in the Fraser Valley in 1948, the total cost of dealing with that flood for damaged areas, municipal roads and bridges, and diking flood control was about \$17,500,000 to which the Federal Government contributed over \$14,000,000, \$5,000,000 of which the province did not have to match at all. The Federal Government's contribution was 80 per cent of the total expenditure.

The Red River flood was in 1950, and the total cost of dealing with it was over \$19,700,000 to which the Federal Government contributed almost \$14,500,000, in addition to the \$8,300,000 that was raised through the Manitoba Flood Relief fund. The Federal Government's assistance in the Red River Valley was about 74 per cent of the total cost.

But when Saskatchewan had a flood, a delegation of ministers from this government went down to meet Mr. St. Laurent and members of his Cabinet, presented the case and left with them a brief of all the data which had been collected from the municipalities and the departments of government. A week later, three other ministers who happened to be in Ottawa again met the Federal Cabinet because they requested further details. That was in April. We didn't receive any reply until October! In October we were told they would no contribution to the municipalities for damaged roads and bridges, nothing to reimburse farmers whose lands had been flooded and no contribution whatsoever to flood control. I appealed for the use of the P.F.R.A. who have excellent engineers and excellent facilities. They were not made available. The only thing that Mr. St. Laurent said the Federal Government was prepared to do was to apply the same formula which had been used when Hurricane Hazel struck Toronto. They would make a contribution of part of the cost of repairing certain dwellings and business places. We, of course, signed that agreement. It means the Federal Government will contribute probably less than \$100,000. Almost \$14,500,000 in Manitoba, over \$14,000,000 in the Fraser Valley and less than \$100,000 to the flood stricken victims in Saskatchewan!

Mr. Speaker, out of our limited resources, we took \$1,000,000 in addition to the \$600,000 which the Legislature had already voted and made \$1,600,000 available for drainage and flood control. In addition to the money already provided in the budget for municipal road grants, we made another \$1,000,000 available for repairing municipal roads and bridges. Not a five cent piece from Ottawa! The gentlemen opposite stand up and shed crocodile tears about the municipalities, but offer not one word of condemnation for a government whose inexcusable discrimination is apparent to any fair minded person.

Some Government Members: — Hear, hear!

Premier Douglas: — While I am speaking of discrimination, Mr. Speaker, let me say a word about the South Saskatchewan Dam. A little over a year ago, Mr. Speaker, the Federal Minister of Agriculture came to us with a draft agreement under which the Federal Government was prepared to proceed with the construction of the South Saskatchewan Dam, if the Provincial Government would agree to put up more money than they had been asked to put up before. We thought the amount we were being asked to contribute to the project was too high. If the whole thing were completed the Federal Government would have spent about \$65,000,000 and the Provincial Government about \$85,000,000. In spite of that, since Mr. Gardiner said it was the only way it would be proceeded with, we agreed.

When we were in Ottawa at the Federal-Provincial preliminary meeting in April, the Provincial Treasurer and I met with the Prime Minister; Mr. Harris, the Minister of Finance and Mr. Gardiner, the Minister of Agriculture. Mr. St. Laurent said categorically, in spite of the proposed agreement which had been placed before us, his government was not prepared to proceed at this time with the construction of the South Saskatchewan Dam. Why? He said because they had very heavy commitments for defence expenditures. But those heavy commitments have not prevented them from constructing the Canso Causeway (with which I agree) or prevented them from spending hundreds of millions of dollars on the St. Lawrence Seaway (with which I also agree). They have announced during the past summer that they are going to contribute \$85,000,000 toward the cost of constructing the unprofitable part of the Trans-Canada Gas Pipeline through Northern Ontario. No trouble finding \$85,000,000 to bail out a private company to put in a gas pipeline, but they can't find \$65,000,000 spread over six or eight years to build the South Saskatchewan Dam.

I have been fascinated by a statement which was made by the Leader of the Opposition speaking in Whitewood. He is reported in the November 25, 1955 issue of the 'Leader Post' as saying:

“The South Saskatchewan River Dam must, and will, be built . . . But, it will not be built until the government here is kicked out.”

I hope the Leader of the Opposition will explain that statement before this session is finished. Is he telling the people of Saskatchewan that the Federal government is not prepared to assist in constructing a dam in Saskatchewan if the people of this province dare to elect a government which is contrary to the political opinions of the government in Ottawa? In 1929 Mr. McKenzie King said “I will not give a five cent piece to any province with a government unfavourable to my own”, and it sent him down to defeat. Is that what the Leader of the Opposition is saying on behalf of Prime Minister St. Laurent? He had better tell us because I am prepared to place this issue in the hands of the people of this province, and I am convinced that they will be neither bribed nor intimidated by political blackmail, either from the gentlemen opposite, or their friends in Ottawa.

It is rather significant that in his speech yesterday, the Leader of the Opposition said absolutely nothing about the agricultural conditions in the province or in Western Canada. A person from some other part of the world sitting in the gallery would never have dreamed that Western Canada is facing an agricultural depression and that the farmers of this province have had their income cut in half in the past two years. The fact is, Mr. Speaker, that we are now in an agricultural depression in the midst of a period of industrial prosperity. I warned the people of this province in 1951 that we were going to have an agricultural depression unless we changed the monetary and trade policies which were causing us to lose our overseas markets. What has happened? First of all, since 1951 the farmer has been caught in the so-called cost-price squeeze. His farm prices have declined – the index has gone down since 1951 by 75.2 points. His farm costs, however, have continued to rise – they have gone up 9 points. The spread between what he gets and what he has to pay is now 84 points further apart than they were in 1951. Or to put it in other words, farm prices have declined by 28 per cent and farm costs have gone up by 4 per cent.

No wonder that Mr. Robert Nielsen, in an article which appeared in the ‘Toronto Star’ (a Liberal newspaper) on January 24, 1956, under the heading:

“Prairie Depression Due Could Shake Economy of Industrial Canada”

said: “However, a prairie depression is on the way, and will eventually be felt by the whole nation – unless the cost-price squeeze and uncertainty in the international market can be corrected . . .”

The fact is, Mr. Speaker, that the warning which I extended in 1951 is unfortunately proving to be all too true. Up until 1951, we had already lost our over overseas market for livestock, dairy and poultry products. Now we are beginning to see a decline in our exports of wheat. There is an erroneous assumption around that the world market for wheat is going down. It isn’t. During the last crop year, total wheat sold by the four major exporting countries, the United States, Canada, Australia and Argentina, went up. Only Canada’s exports went down.

The result is that we now have, or had at the beginning of this crop year, the second largest wheat surplus in our history – 992,000,000 bushels. Because the farmers have been unable to sell it and because of the decline in farm prices, the farmers’ income has been reduced. The farmers’ cash disposable income (by that phrase I mean what the farmer received in cash income, less his cash operating expenses) in 1953, was \$516,000,000. In 1955 it dropped to \$232,000,000 – a drop of \$284,000,000, or a reduction of 55 per cent. In other words, the farmer today has in his pocket less than fifty cents for every dollar he had in 1953. The Leader of the Opposition isn’t even aware of it, judging by the speech which he made yesterday.

This tremendous surplus has caused the farmers a great deal of difficulty, mainly because of the fact that they have not been able to deliver their grain as they would like to do. On July 14th last, in the

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House of Commons (Hansard, page 6109) Mr. Howe assured the House that the farmers would be able to deliver all their wheat before the next crop began to move. Well, that was another one of these optimistic hopes that haven't materialized. The farmers weren't about to move their wheat.

When we had the preliminary Federal-Provincial Meeting in April I asked the Federal Government to place the question of a farm marketing conference and cash advances on the agenda for the October meeting. The Federal Government were not prepared to agree. But when we met in Ottawa on October 3rd I insisted on raising these questions anyway, and I got the support of both the Premiers of Alberta and Manitoba in that regard. The Prime Minister asked Mr. Howe to reply with reference to cash advances and Mr. Howe intimated that the government was considering something, but he couldn't divulge the nature of his proposals because they hadn't yet been to Cabinet. I told Mr. Howe that if he were thinking of bank loans along the lines of the 1951 legislation, he might just as well save his breath, and the farmers' trouble. Well, everyone knows what happened.

The Leader of the Opposition took a strange part in that whole discussion. First of all, on September 27th, speaking at Fort Qu'Appelle, he urged all the prairie farm and business organizations to make representations to the Federal Government for advances on farm-stored grain. Fine! Then, you will remember, he went to Ottawa with a secret formula.

Hon. A.G. Kuziak (Minister of Telephones): — A secret . . .

Premier Douglas: — Then, when he came back there was a hint in the paper that we were going to get bank loans, and immediately he came forth with a very courageous statement and said on October 22, 1955, that these would be as effective in the present wheat crisis "as a stirrup pump at a forest fire."

Then, something happened. Mr. Howe came west to speak to the Wheat Pool delegates and Mr. Gardiner came west the same week to Saskatoon to meet with the Leader of the Opposition and his colleagues, at a Liberal council meeting, and somehow or other the Leader of the Opposition was converted to bank loans. He then became so enthusiastic about bank loans that he even told the farmers that five per cent was only two-and-a-half per cent if you borrowed it for only six months. He was so enthusiastic about the bank loans that he even had a pipe dream. He announced in Saskatoon that the Wheat Pool delegates had to repudiate his statement and point out that they had turned down bank loans and had voted in favour of cash advances.

Mr. McDonald: — It was the executive.

Premier Douglas: — If you ever saw a chameleon like performance, here it was. On September 26th, the Leader of the Opposition said:

"It is rather surprising that western farm organizations have not to date this year asked for legislation similar to that passed in 1951."

When the bank loans came, he tried to explain them, and on November 8th, he said:

“Mr. Howe’s announcement had no connection with the 1951 legislation under which the Federal government was empowered to pay part of the losses incurred by banks loaning money to farmers on farm-stored grain.”

But, 20 days later, on November 28th, Mr. Howe said:

“We returned to the plan of 1951, except that the interest has been lowered and the maximum amount of the loan raised to \$1,500.”

Well, here’s a strange record. Every member sitting opposite, on April 7th, 1953, voted in this Assembly in favour of cash advances, and right up until Mr. Gardiner and Mr. Howe came west, the Leader of the Opposition was in favour of cash advances. Now they are in favour of bank loans, although every farm organization on the prairies, every co-operative organization on the prairies and the three provincial governments on the prairies have all repudiated bank loans and asked the Federal Government to provide for cash advances through the Wheat Board.

Why didn’t we get cash advances? I’ll tell this House why we didn’t get cash advances. Because the Liberal Party had told the government in Ottawa that the farmers didn’t need cash advances.

Mr. Danielson (Arm River): — That’s what you say, nobody else said it.

Premier Douglas: — Do not laugh too soon.

After the Leader of the Opposition had been down to Ottawa to see the Prime Minister, this is the wire I received from Mr. St. Laurent, dated October 24th:

“Re your telegram of October 21st, concerning advances to the farmers for grain stored on the farms, on studying this problem carefully and having in mind our experience with the 1951 crop it was apparent to us that only a relatively small number of farmers would in fact require assistance.”

Mr. Cameron: — That’s correct.

Premier Douglas: — Mr. Gardiner, on January 23rd, 1956, just three weeks ago, speaking in Winnipeg said:

“ . . . farmers are not as hard up as some people would try to have us believe.”

The City Editor of the Regina ‘Leader Post’, Mr. E.N. Davis in the Toronto ‘Globe and Mail’ under “Letter from Saskatchewan” – a regular feature, writes on September 16th in his column to the people of eastern Canada:

“Some of the politicians are talking about the alleged crisis because of the farmer’s shortage of cash. It hasn’t been in evidence as yet, to any great extent . . .”

He goes on:

“Up to now the man who grows the wheat hasn’t been saying as much about the alleged wheat crisis as the politicians.”

Mr. Cameron: — That’s correct.

Mr. Danielson: — That’s true.

Premier Douglas: — Now here are some gentlemen agreeing across here – agreeing now that the farmers didn’t need any help. They have got fifty cents on the dollar in their pockets compared to 1953, wheat piled up on their farms, but – they don’t need any help! That’s why we didn’t get cash advances!

Mr. McDonald: — What are you doing about it?

Premier Douglas: — Now the Leader of the Opposition caps it all.

Some Government Member: — He should go to Ottawa.

Premier Douglas: — Here’s a statement in the ‘Toronto Telegram’ dated Saturday, January 21st, when the Leader of the Opposition (Mr. McDonald) said to the Business Men’s Club:

“Canada’s wheat surplus (is) a small problem compared to the job of rubbing the C.C.F. Party out of existence.”

Ah! Now we have it! The wheat surplus doesn’t matter, the farmers don’t matter, agricultural income is unimportant; the only thing the Liberal Party exists for is to destroy the C.C.F. and get back into office those business interest which are represented by the Liberal Party.

Mr. Lopton: — If it wasn’t for the C.C.F. there wouldn’t be any wheat problem.

Premier Douglas: — There is another reason why the farmers are in this difficult position and that is due to the most inexcusable inefficiency and bungling imaginable with reference to box cars. Speaking in Edmonton, December 5th, Mr. Howe told the people there (as reported in the ‘Edmonton Journal’) that the Pacific Coast had a capacity of 15,000,000 bushels, but there were only 3,000,000 bushels in those elevators and that the Lakehead terminal capacity was 85,000,000 bushels but that only 40,000,000 bushels were in those elevators. One set of elevators are only 20 per cent full, and the others are less than 50 per cent full.

Last week, Mr. T.C. Bonier, the Vice-President of the Wheat Pool, speaking in Moose Jaw pointed out to the meeting that there is a shortage of 32,000 box cars compared to the same shipping period of last year. He said that the elevator operators have over 25,000 wheat board shipping orders that cannot be fulfilled, because of the lack of box cars. He said that there are over 150,000,000 bushels of wheat that could be

moved out of the country elevators on the prairies if box cars could be obtained.

Mr. Speaker, even at an initial payment averaging \$1.00 a bushel, that's \$150,000,000 that the prairie farmers are being denied at this moment because of the bungling inefficiency of the Federal Government and their Transport Controller!

The Leader of the Opposition stood up yesterday and shed tears about the farmers having to pay a three cents an acre mineral tax and an extra couple of dollars on a farm truck licence. Mr. Speaker, the farmers of this province have never thought they could get something for nothing. They never object to paying taxes if they get services, and they would pay their taxes and they could pay their taxes, if they could collect from the Federal government their last year's wages which are owing them! They could collect \$150,000,000 if this wheat were moved out to the terminal elevators. It's strange that my honourable friend, who was so concerned about the plight of the municipalities yesterday, isn't at all concerned about the fact that the farmers of this province are not able to deliver their grain.

In Western Canada today there is a growing realization that if we are to prevent agriculture, and particularly western agriculture, from getting into an almost hopeless position there are at least seven things we have to do. I haven't time to deal with them in detail. But all farm organizations today, irrespective of their differences on other questions, have pretty well rallied around these seven basic principles:

- (1) The Wheat Board must be maintained as the sole marketing agent for the grain producers.
- (2) The International Wheat Agreement must be maintained as the only proper way to maintain orderly marketing on an international basis.
- (3) We must have cash advances for farm stored grain as a permanent feature of our orderly marketing system if we are to have stability in our economy.
- (4) There must be assistance to enable both elevator companies and individual farmers to put up additional storage to see us through these times of surplus.
- (5) We must maintain a national stock pile against emergencies and that the cost of maintaining it should be carried by all the people of Canada. The announcement by the Federal Government that they are prepared to assume the responsibility for storing 212,000,000 bushels, is a welcome step in the right direction.
- (6) We must adopt in Canada a two-price system. If the farmers are going to be asked to buy in a protected market and sell their goods on an open world market, then at least they should receive compensation insofar as the commodities

which they sell for consumption in this country are concerned, and the price of wheat ought to be fixed in Canada on the maximum figure under the International Wheat Agreement of \$2.05 a bushel.

- (7) We must adopt new trade and monetary policies. If we cannot sell wheat for Canadian dollars, we should enter into barter agreements and we should accept the currency of other countries and use that currency to buy goods from those countries. It is no use saying it can't be done. The United States has adopted this policy, with the result that in 1955 they increased their sale of farm commodities through barter arrangements by two and one-half times. In the first nine months of 1955, according to Agricultural Secretary Benson, they increased their sale of farm commodities by over \$1 billion as compared to the first nine months of 1954. Oh! but the Liberal press says, that's alright for the United States – they can afford it. Australia is doing the same thing! The Argentine is doing the same thing, and there isn't any reason why Canada cannot enter into barter agreements and accept the currency of other countries.

Of course, I am not going to say anything about Mr. Gardiner's proposal for bartering off wheat in exchange for British immigrants, although I believe that it has been suggested in some quarters that we might offer to give the British a million bushels of wheat if they will take Mr. Gardiner off our hands.

Now, Mr. Speaker, may I turn for a few moments to the non-agricultural part of our economy, and here I am pleased to be able to report that we are making encouraging progress. When the government took office in 1944, we recognized what I am sure every other thinking person recognized, namely, that our economy was extremely vulnerable. It is an economy based on one crop, and we recognized that if we were going to have diversification, if we were going to lay an economic base under the high structure of health, welfare and educational services which we were erecting, then we had to get industrial development. The Leader of the Opposition said yesterday that he knew what an industrial area looked like – he said you saw a lot of smoke, and after a while you saw chimneys. Well, you can't have smoke and chimneys unless first of all you have fuel, gas, oil, coal, and you cannot have industries unless you have raw materials, and markets. Therefore, our job during the last few years has been to discover fuels, and to find more and more raw materials. Industrial development, if it is to be sound and if it is to be lasting, must be based on the development of raw materials and primary commodities obtainable here. That is why so much emphasis has been placed on the exploration and development of minerals. I think we have an encouraging record to show.

In 1944 the mineral production for this province was \$22,291,848. Last year our mineral production reached \$83,769,427 – an increase of 375 per cent. We are not hitting our stride in oil. It was pointed out the other day that we now have some 1,700 oil wells in production or capable of production, producing last year nearly

12 million barrels of oil valued at more than \$17,250,000. Over \$82,000,000 was invested by the oil companies in exploration and development last year. With the oil pipeline which has come into operation just recently and the other one which is being constructed I think it is safe to prophesy that we shall greatly increase our production of oil in 1956 over 1955.

In metal, in 1944 we produced \$18,308,000. In 1954, which is the last year for which we have complete figures – \$38,219,597 – an increase of 208 per cent. Remember that Manitoba produces only half that amount, about \$19,999,999 and Alberta produces less than \$7,000. Something was said yesterday about producing mines. Well, the gentlemen opposite will be interested to know that we now have in the province seven producing mines and that we have ten others in which underground work is being carried on preparatory to going into production. It is estimated that mining companies invested \$20 million in this province last year.

Not much has been said about non-metallic minerals but they are becoming increasingly important. In 1944, our production of non-metallic minerals was only \$1,039,000. In 1954 it was \$3,522,000 – an increase of 339 per cent. But remember that Saskatchewan's production of non-metallic minerals is four times as great as that of Manitoba and five times as great as that of Alberta. Our structural materials went up by 316 per cent. Our clay production in 1944 was \$330,000 and in 1954 it was \$838,000. Our coal production continues to go up, although coal production in Canada is going down. Last year we reached some \$4,500,000. Our salt production which, in 1944 was nothing, in 1954 reached some 41,000 tons. Our sodium sulphate production which in 1944 was \$987,842, in 1954 was over \$2,500,000. Our gas production, which in 1944 was only 149,000 m.c.f., last year was 10,789,000 m.c.f. Potash has already been spoken of – two mines are being put down and 3 million acres are under exploration by seven major companies.

I am glad to be able to say, Mr. Speaker, that in our forest industry, negotiations are now proceeding with a number of companies with regard to pulp, blockboard, wallboard and plywood. I hope that the government will be able to make some further announcements with regard to these industries in the near future.

Let me say a word about the investment by private industry in the development of our province. Much was said yesterday by the Leader of the Opposition about the fact that figures produced by the Federal Government on public and private investment covered a great many things such as the building of schools, public buildings and so on. Of course they do. But they are a barometer of the fact that the people have faith in the province and in the community, and that they are building schools and hospitals, and other public utilities. What do we find? We find that in Saskatchewan in 1955 the total amount invested in public and private investments amounted to \$433 million. My friends opposite wanted it broken down. Well, look at primary and construction industry; in 1948 it was \$101,600,000; last year it went up to \$145,300,000. Manufacturing in 1948 was only \$8,100,000; last year it was \$11,600,000. Utilities in 1948 was \$37,300,000; last year it was \$118,800,000. Trade, finance and commercial services went up from \$19,400,000 in 1948 to \$32,200,000

in 1955. Institutional or public investment went up from \$39,100,000 in 1948 to \$72,300,000 in 1955. But the interesting thing, Mr. Speaker, is that public and private investment since 1948 has gone up in Manitoba by 33 per cent, and it has gone up in Saskatchewan by over 80 per cent. That's a pretty good indication of the economic activity in Saskatchewan. Another good indication is the number of companies which are coming in. In 1944, 78 companies registered in Saskatchewan, with an investment of \$2,894,000. Last year, 367 companies with an investment of \$68,705,000 were registered. Or take companies from outside coming into the province. In 1944 only 16 companies came in with a capitalization of \$6,000,000. In 1955, 210 companies came in, representing capital of \$467,500,000.

When the gentlemen opposite try to pick out industries here and there, they are only telling half the story. Why, for instance, doesn't the Leader of the Opposition point out that in Saskatchewan our petroleum refining industry has a production value of \$63,000,000, as compared to Manitoba's \$25,000,000? Why doesn't he point out that in the flour and feed industry since 1945, Manitoba has come up 26 per cent, and we have come up 74 per cent in the volume of production? Take manufactured goods. In 1944 the value of our production was \$175,000,000. Last year it was \$281,000,000, which is an increase of 61 per cent. Manitoba in the same period of time increased 64 per cent. We didn't do quite as well, but at least we are keeping close to Manitoba, which is something we never did in the past.

I think the most encouraging thing about our industrial development is that at long last we are beginning to convince various companies that Saskatchewan is the logical centre for the distribution on the prairies. More and more Saskatchewan is being looked upon as a suitable place for making construction materials, steel pipe, wire and cable, electric transformers, cement, and storage tanks. The members will be interested to know that for the first time structural steel is being processed in the province for the new cement plant. You will be glad to know that last year, when one of the light aggregate plants was being constructed in the province, we persuaded them to allow one of the Saskatchewan firms to make one of the huge kilns. They were so pleased, not only with the product, but with the price, that they have given an order to that company to make a kiln for the plant which they are putting up in the city of Winnipeg. When that plant is constructed this summer in Winnipeg the kiln will be coming from the province of Saskatchewan. That's the kind of development that we like to see.

In 1955 we had four multi-million dollar industries start in Saskatchewan – the Gunnar Mines at Uranium City, the Hoesch Steel Pipe Plant at Regina, the Potash Company of America operation at Saskatoon, and the Saskatchewan Cement Corporation at Regina. The financing has now been completed, I understand, for the Potash Mine at Unity. In 1955 we have 28 medium-sized plants constructed. We had 23 extensions to existing plants. We had 29 extensions to existing warehouses. Already in this year 1956 we have had three new industries announced – the Western Clay Products, who are going to manufacture sewer pipe and other clay products here in Regina, the Western Wire and Cable, which will be established at Weyburn and will manufacture wire and cable, not only for Saskatchewan

but to serve the prairie market, with a distinct prospect of going into other lines of manufacture; and a Straw Board Manufacturing Plant at Saskatoon.

May I say a word in connection with the part which the Crown Corporations have played in the development of Saskatchewan. Estimates of the financial statements of the Crown Corporations will be obtainable in a few days, and therefore the figures I give are not audited figures, but I think when they are compared with the final statement they will be shown to be approximately correct. During 1955 the Saskatchewan Crown Corporations did approximately \$53,500,000 worth of business, and after paying the interest on borrowings of the Power Corporation and the Telephone Corporation, will have a surplus of over \$5,000,000, and will have provided employment for over 4,000 people.

Now it is sometimes said that these Crown Corporations only get by because of Power and Telephones. Let's take Power and Telephones out. Let's deal with the other Crown Corporations – the ones which the Liberal Party announced in 1952 they were going to “throw out the window” – the ones which the Leader of the Opposition said yesterday: “They have failed and have failed miserably”.

Mr. McDonald: — You closed them.

Premier Douglas: — Well, I will tell you how miserably they failed. They had advances of \$9,633,000 . . .

Mr. McDonald: — What about wool and leather – they're all gone.

Mr. Speaker: — Order!

Premier Douglas: — Last year the surplus earned was over \$1,250,000, or a return of 14 per cent on the capital investment. They did a \$25,000,000 volume of business and gave employment to 1,237 persons. These are the kinds of corporations the gentlemen opposite are going to “throw out the window.”

The minister will be reporting on the Telephone Corporation, but I would just like to point out one thing. In 1944 we had 46,913 telephones in the province and now at the end of 1955 we have 124,155. Mr. Speaker, when you have almost 80,000 more telephones there must be some industrial and business activity in Saskatchewan!

Mr. McDonald: — . . . most of it is propaganda.

Premier Douglas: — The Power Corporation report will be made by the responsible minister. But when I heard the Leader of the Opposition yesterday speaking against the idea of government monopoly of power and telephones I wondered if he realized what the people of Saskatchewan think about the days when we had four or five private companies here and the Saskatchewan Power Commission. Let me remind you what the situation was in 1944 contrasted with today. In 1944 the Power Commission had 12,989 customers – today they have 120,000. They serviced 137 farms in 1944 – today 32,500 and by the

end of this year 40,000. They serviced 146 communities in 1944 – today 750 communities. Most important of all, the power distribution in 1944 was 75,000,000 kilowatt hours – today 556,000,000 kilowatt hours. We believe that power and telephones should be operated as public utilities and that they should give the people service at as close to cost as possible. I want to say that not one dollar of profit has come to the treasury of Saskatchewan either from telephones, power or gas. Every dollar of profit has either gone into rate reductions, or into extending the service to parts of the province which have hitherto been denied it.

There has been some complaint in certain quarters because we want to limit some of the cities to a five per cent profit on gas distribution. But the Ontario Hydro, when it sells power in bulk to a city, does not allow them to make any profit. They must sell it at cost. We are offering the cities five per cent. The Provincial Government does not make five per cent. In terms of provincial revenue we have not had a dollar from the distribution of power or gas.

Now I want to say, Mr. Speaker, that in any talk about what the price will be for gas and what the price will be for power, I can say that both prices will be as close to cost as it is possible to make them. If at any time the surplus makes it possible to reduce rates, the rate will be reduced, because we do not believe in using public utilities as a means of indirect taxation. But you can only have this kind of service if you have an integrated system. In the matter of gas, for instance, the price which you pay for gas depends upon the volume you use over the long period of a year. By integrating gas with power, we can use gas for producing power in those periods of the year when gas consumption is low. By taking larger quantities of gas for the whole province we can get a better price than any individual community can get by buying it in small quantities. So as far as gas is concerned, as with power, it will cost the cities no more but it will make possible gas and power for the smaller communities of the province.

I was amazed to pick up the paper on Monday and find the Leader of the Opposition, speaking to the Regina People's Forum said:

“The provincial government is extending electrical services to small centres at the expense of increased costs in the cities.”

He doesn't say that in the country, but when he gets in with a group of city people, here is what he says: “The provincial government is extending electrical services to small centres at the expense of increased costs in the cities.”

Mr. R.A. Walker (Hanley): — Did you say that, Hammy?

Hon. A.G. Kuziak: — Riding two horses!

Government Member: — You mean riding two jack-asses!

Premier Douglas: — Mr. Speaker, that will be a revelation to the people out in the country. The people in the rural areas of this province had better

take warning that the Liberal Party has now served notice that it is opposed to taking power to the smaller community but favours instead cheaper power for the cities to attract industry at the expense of the small towns and the farm users of power in Saskatchewan.

Mr. Loftson: — That's a plum.

Premier Douglas: — Now, Mr. Speaker, I would like to turn to a statement which was made by the Leader of the Opposition recently in Toronto. Yesterday the Leader of the Opposition stood up in his place here and said that there were some industries coming into the province. He didn't think there were enough, but there were some. And he was glad to see them, and he, for one, would always be glad to see them. I appreciate him saying that here, but it is not what he said in Toronto when speaking to a group of business men. Speaking to a Toronto business men's club, he said:

“We in Saskatchewan have missed the boat. We have not taken advantage of the opportunities for progress in the last twelve years. Investors hesitate to enter Saskatchewan while a C.C.F. government was in power.”

Mr. Speaker, I have no objection to the Leader of the Opposition criticizing the government, or making any statement he likes about whether we have missed the boat or caught the boat, when he makes them in Saskatchewan where the people here can assess the accuracy of his statements. But when the Leader of the Opposition goes down to Toronto where the business men do not know the facts and misrepresent and maligns his own province . . .

Mr. Danielson: — Oh, they know the facts.

Premier Douglas: — . . . he proves just where his interests lie. Because, Mr. Speaker, the policy of the Liberal government throughout the years has always been the same, that since they could not successfully govern this province themselves they are going to do everything possible to keep anybody else from bringing prosperity and development into Saskatchewan.

They are prepared, if they can, to destroy this province rather than see capital come in to advance the interests of the province.

Mr. McDonald: — You ought to be ashamed of yourself.

Premier Douglas: — If my hon. friend has one spark of decency in him, he would hide his head under the desk after the type of statement he made in the city of Toronto. I'll say something more.

Mr. Danielson: — You've said enough already.

Premier Douglas: — I'll say that the statement which he made in Toronto was based on inaccuracy. It was characterized by distortion and it was motivated by political spite.

Mr. Danielson: — The truth hurts, eh?

Premier Douglas: — I want to contrast the Leader of the Opposition with the

statement made by the President of the Progressive Conservative Party in Saskatchewan who happened to be in Toronto at the same time. He was contacted by the press. He is a man who apparently has some pride in his province and some regard for the truth. He immediately denied the disparaging remarks made by the Leader of the Opposition and he said:

“ . . . Big discoveries of copper, zinc, uranium, oil, natural gas and potash will see the most sensational development on the North American continent. . . The big business financial ball which got rolling in Alberta is now rolling in Saskatchewan. Our young people have been leaving us in the past, but now they are thinking of staying. . . ”

He then added one remark which I thought was very appropriate. He said:

“Mr. McDonald is a young chap. When he is away on his own, he sometimes comes out with statements without thinking.”

Mr. Speaker, I know of no one more admirably equipped to make statements without thinking than the Leader of the Opposition.

Mr. Cameron: — Read the other statements he made.

Mr. Speaker: — Order!

Premier Douglas: — But, Mr. Speaker, the most important thing is the reason which the Leader of the Opposition gave to the business men’s club as to why we had missed the boat. He said we have missed the boat.

“ . . . because high fuel costs resulting from government monopolies in electricity and gas, and high taxes make competition on export markets impossible.”

Mr. McDonald: — That’s true.

Premier Douglas: — Mr. Speaker, here is an attack on government monopolies of power and gas! Mr. Speaker, in the first place, the government does not distribute power in the cities – neither in Regina or Saskatoon or Moose Jaw. If power rates are high in the city of Regina, where they generate and sell their own power, it is because they are using power sales as indirect taxation, collecting, I believe, something in the neighbourhood of \$1,000,000 a year profit.

Mr. Lopton: — It’s still a government monopoly.

Premier Douglas: — In Saskatoon we sell the City power at cost in bulk and they put on whatever mark-up they want. Mr. Speaker, this is a new announcement by the Liberal Party. In 1952 they came out and said that they were going to toss the Crown Corporations “out the window”. But they were careful to say that they wouldn’t touch the Power and Telephones. But now the Leader of the Opposition comes out in the city of Toronto, speaking to his business friends, and he says the reason why Saskatchewan has stayed behind

is because we have a government monopoly of gas and power. The only inference you can take from that statement is that a Liberal government in this province would be prepared to turn gas and power back to the private utilities and return this province to the chaotic confusion from which we rescued it in 1944. The people of this province can take warning from that statement by the Leader of the Opposition that the election of a Liberal government in Saskatchewan will see the end of public ownership of power and gas in this province.

Hon. Mr. Kuziak: — An unsolicited campaign.

Premier Douglas: — Now, Mr. Speaker, I would like to deal with one other matter before I sit down. I want to say just a few words regarding the public statement made by the member for Maple Creek (Mr. Cameron) in which he criticized the government for now dismissing two civil servants who had attended a public meeting in the city of Regina of which the member for Maple Creek disapproved. This statement was not a mere slip of the tongue. I am informed that the press release came directly from Liberal headquarters here in Regina. Therefore, I presume that the stand taken by the member for Maple Creek is the official stand of the Liberal Party in this province. I know nothing about this meeting — I wasn't at it. Nor did I meet Mrs. Sobell, who was here to address a meeting and seeking support for getting a re-trial for her husband who is serving a 30 year jail sentence in the United States. May I say that many prominent people in the United States, including a Senator from North Dakota, have associated themselves with this campaign.

As I say, I know nothing about the case for Mr. Morton Sobell. The issue is not whether Sobell was justly or unjustly imprisoned. The issue is not whether Mrs. Sobell has a just complaint because her husband was interned. The issue in this case is whether or not public servants have the same right of freedom of speech and freedom of association as have the other citizens of Saskatchewan. I said at that time, and I say again, that as long as this government sits here there will be no McCarthyism as long as we are able to prevent it.

I will not deny to any civil servant the same rights and privileges as I demand for myself. Because, Mr. Speaker, this is not merely a matter of what will happen to two civil servants. This involves the rights and the liberties of every Saskatchewan citizen. For if we accept the principle that the government can dismiss two of its employees merely because the government doesn't like a meeting to which they went, or the purpose for which it was called, where would be stop? Would we say after a while that we would stop giving contracts and government business to any individual who went to meetings we didn't like or expressed opinions with which we didn't agree? Will we then start to cancel the certification of school teachers who go to meetings we don't like, or who support some ideology with which we differ? If we can do that, why can't municipalities do the same with their employees; and library boards, and school boards, and hospital boards. If public bodies are to be allowed to govern the thinking and the action of their employees, why shouldn't private employers be allowed to do the same? Why shouldn't an employer be allowed to say to his employees: "If you go to this kind of a meeting, or that kind of a meeting; if you associate with this type of an organization, or that type

of an organization, you're out of a job! When we get that day, the day of the informer, the day of character assassination and of guilt by association, then, Mr. Speaker, we have reached the stage of Fascism.

I want to warn the Liberal Party that in the statement which they issued, they have taken the first step along the trail toward black reaction that will eventually lead to McCarthyism and to the destruction of all the basic freedoms for which men have struggled and fought over the last 2,000 years. I think the civil servants of the province would do well to take note that the Liberal Party has now served them a warning that if a Liberal government ever sits in office in this province, any employee who goes to a meeting which doesn't meet the approval of the gentlemen opposite, will be dismissed immediately. Whether it is a Conservative meeting or a Liberal meeting, or any other kind of a meeting – if the Liberal Party doesn't like the meeting, you'll be out of a job. This is the freedom of which the Liberal Party has been boasting throughout the years!

Now the most interesting part of the statement to which I refer are the reasons which the member for Maple Creek (Mr. Cameron) gave for requesting the dismissal of these two employees. He said:

“It is hardly becoming for any Canadian citizen openly to criticize the justice of the United States courts.”

Mr. Speaker, has it become treason to criticize the decision of any court? Have courts always been infallible? Have courts never made mistakes? Has no innocent man ever gone to jail and no innocent man ever been hanged? Are our memories so poor that we cannot remember Tom Mooney – 20 years in jail and finally freed by a generous President who recognized the great injustice? Or the Billings case, or the Scotboro boys, or the Sacco-Vanzetti case? Why, Mr. Speaker, it is only a little over 100 years ago that six men now called the Tolpuddle Martyrs were sentenced to seven years penal servitude in Australia for the despicable crime of having formed a trade union! Do we not dare criticize that court? It's only a little over 150 years ago that two Presbyterian ministers in Edinburgh were sentenced to seven years, and another one to fourteen years in jail for joining the Council of the People to advocate that every person should be allowed to vote. About the same time an Anglican clergyman was sentenced to death in the West Indies because he dared to advocate the abolition of slavery. Are we not to criticize these court decisions? Or are courts only wrong 100 years later but perfectly right and perfectly infallible today?

Mr. Speaker, any citizen, whether he is a civil servant or anyone else, has the right to raise his voice and protest against injustice wherever he thinks it may exist. It will be a sad day for this province and for this country when that right is denied him. After all, what are these people afraid of? Why should they be afraid to let people come out and statement their case? If their case is wrong surely you can refute it.

Thomas Jefferson once said:

“... error of opinion may be tolerated where reason

is left free to combat it.”

That great poet of Scotland, Robert Burns was a civil servant who almost lost his job for speaking out in favour of universal franchise. Burns once said:

“Here’s freedom to them that would read,
Here’s freedom to them that would write,
There’s none ever fear’d that the truth should be heard
But they whom the truth would indite.”

A great Roman historian, Tacitus, once said:

“Rare is the felicity of the times when you can think what you like and say what you think.”

Mr. Speaker, as long as it is possible to do so, we want to keep this a province where people can think what they like and say what they think. When this government was elected in 1944 we fought the election on a nine-plank platform. The seventh plank in that platform said that we would guarantee to the people of Saskatchewan freedom of speech, freedom of religion, and freedom of association, and to those three freedoms we have tried, insofar as our constitutional powers would permit us, to add two more freedoms – freedom from fear, and freedom from want.

Mr. Speaker, speaking on behalf of my colleagues and myself, and the people who support the C.C.F. movement throughout the province of Saskatchewan, I want to say that we will continue to defend those freedoms in season and out of season. We are prepared to place this issue in the hands of the people of Saskatchewan and to either stand or fall by their decision.

MOTION FOR RETURN

Moved by Mr. Danielson (Arm River): “That an Order of the Assembly do issue for a Return showing:

“Copies of all correspondence, including letters, telegrams, reports and submissions, etc., between any Minister, Department or Agency of the Government and the Anglo-Canadian Paper Company, dealing with the proposal to establish a pulp and paper mill in Saskatchewan.”

Hon. J.H. Brockelbank (Minister of Natural and Mineral Resources): — I can understand the interest of the hon. member in the confidential details about the business of dealing with the public domain in the province of Saskatchewan. At the same time I think we must recognize that when we have negotiations with a company, then from my Department and other agencies of the Government we do have correspondence with them which includes what is confidential material and confidential information of that company. They submit to us, on occasion, costs of doing this, costs of doing that, and so forth and so on. They do not want those things made public and

if we commence to make that kind of material public it is going to have an effect on other companies which are considering carrying on negotiations with Saskatchewan.

So I am faced with a problem here. One solution would be to say flatly that in the public interest this material cannot be supplied; but I do not like to do that, and so I am going to move an amendment to the Motion, seconded by the Hon. Mr. McIntosh, which reads as follows:

“That all the words down to the word ‘etc.’ in the first and second lines be deleted, and the following substituted therefor:

“Copies of correspondence which, without prejudice to the public interest, may be divulged.”

Now, Mr. Speaker, that will make the Motion read:

“Copies of correspondence which, without prejudice to the public interest, may be divulged, between any Minister, Department or Agency of the Government and the Anglo-Canadian Paper Company, dealing with the proposal to establish a pulp and paper mill in Saskatchewan.”

Before moving this Motion I inquired to find out what the practice was in Ottawa, and I find that when such Motions for Returns of papers or production of papers, come before the House in Ottawa, if there is any question about the prejudice of the public interest the Minister will rise in his place and will state certain reservations; the principal one, of course, being that no paper shall be tabled that might not be in the public interest. When those Motions are passed in the House of Commons they are passed subject to the reservations stated by the Minister and they are so reported in Hansard.

I just want to point out to the hon. members that I am not taking any new course at all, but as we have no Hansard which is printed and reproduced the next morning on our desks (that would not be a convenient way to do it here) I am offering this amendment, seconded by the Hon. Mr. McIntosh.

Mr. G.H. Danielson (Arm River): — Mr. Speaker, this is a topic that has been very widely advertised by the Government for the last two years, at least, and the promise has practically been definite that we were going to have this industry in the province of Saskatchewan. The Premier has made many speeches on it, and others, as well, have drawn attention to this excellent promise that we had of getting this industry into the province of Saskatchewan. I think the people of the province are very much interested in this, for the simple reason that it has absolutely been as near reality as anything has ever been, so far as the Government's statements concerning it would lead one to believe.

In Ottawa, when certain information is asked for in regard to matters of this kind, there are no doubt certain things that the Ministers

of Departments may not see fit to disclose; but I think that ruling is very, very seldom taken advantage of; I follow what goes on in Ottawa and I have followed it very closely and I think they are getting far more information in regards to matters of this kind in the House of Commons than what we are getting in this House.

Now if this Motion is amended according to the amendment which I hold in my hand, to my mind it will give the Minister absolute discretion to disclose part of it, some of it, or none of it. That is just what it means. He doesn't have to tell the members of this House anything. He might just as well have got up and said: "It is not in the public interest"; as has happened so many times in the past few years. I think this House should resent that kind of attitude on the part of the Government, because it is dictatorial, it is just along the lines that the Premier 'warned' the people of Saskatchewan so oratorically about a few minutes ago, which would also be 'McCarthyism'. He didn't say anything about Communism, Mr. Speaker. He left that out. That has nothing to do with this, but I want to point out that you can do whatever you like with the majority sitting on the other side of the House but the people of this province want to find out all about this thing. This company went so far as to make payment for certain leases for pulpwood in the northern part of Saskatchewan, and then, all of a sudden, when they are going to take action to really do what they promised to do – or what the Government said they had intimated very strongly that they were going to do – then the whole thing collapsed. This concern is pulling out and is going far up into Alberta . . .

Premier Douglas: — Oh, no; oh, no. Come, come!

Mr. Cameron (Maple Creek): — Regardless of where it goes, it has pulled out.

Mr. Danielson: — Yes, it pulled out.

Premier Douglas: — It was never in; it couldn't have pulled out if it was never in.

Mr. Cameron: — We want to know why.

Mr. Speaker: — Order!

Mr. Danielson: — Mr. Speaker, I want to make a correction; I had my mind on this sawmill that departed from Saskatchewan, a few weeks ago.

Hon. Mr. Sturdy: — I knew you were wandering.

Mr. Danielson: — The excuse given for them pulling out of Saskatchewan, abandoning their plants in Saskatchewan, was blamed on the fact that freight rates were too high. Well I do not think that is the fact; and I do not think that any man in this House really, honestly believes that excuse. There was something else to that and we want to find out what it was, but I have very little hope of getting it . . .

Mr. Speaker: — Order! Order! I would ask you to take that back. That is casting an aspersion upon the character of the Minister.

Mr. Cameron: — Well, according to his statement . . .

Mr. Danielson: — Mr. Speaker, . . .

Mr. Speaker: — That was a straight aspersion upon the integrity and character of the Minister.

Mr. Danielson: — Mr. Speaker, may I say just one thing. A few moments ago I said it means simply this: that the Minister can disclose as little of it, part of it, or nothing at all, and he said ‘Yes, that is what it means’.

Hon. Mr. Brockelbank: — Mr. Speaker, on a point of privilege, the hon. member should know that no Minister, no responsible Minister of the Crown, can surrender the right to use discretion with regard to matters that are not in the public interest.

Premier Douglas: — You take an oath to that effect.

Hon. Mr. Brockelbank: — I assure you . . .

Some Opposition Member: — Who is the Judge?

Hon. Mr. Brockelbank: — . . . that you will, if this Motion as amended carries, get everything that can be produced without jeopardizing the public interest.

Mr. Danielson: — Well, Mr. Speaker, I have told you that I believe, and the people of the province of Saskatchewan believe, there is some cause that has not been disclosed as to why this industry, which would have been of great benefit to the province, should suddenly disappear and make a decision that they are not going to invest their money in the province of Saskatchewan; and that is what I want to get at. We are told many rosy stories but we never get the inside of it and I think we should have it. I think it is the duty of the Government to disclose it and let us have these things and the information in that regard.

Mr. W.J. Berezowsky (Cumberland): — I am in favour of this amendment for the simple reason, as the Minister has pointed out, there is certain information and there is always certain correspondence that would not be in the interests of the public, and also not in the interests of the negotiating company to publicize; and certainly, in view of the fact that we want to encourage industry to come into Saskatchewan, we must be very careful as to what steps we take and I think the Minister is quite right in his stand.

Now I just want to mention this point: that if the hon. member had taken the trouble to inform himself of the negotiations and the contract between the Government and the Company, when two years ago an Order for Return was asked for in this House and all the contracts and agreements which the company had with the Government were filed with the Clerk of this Assembly, I think he would have obtained all the information he is now asking for. With that information and the general correspondence that the Minister is prepared to submit I think he could be fully enlightened on the whole subject.

I am certainly going to support the amendment.

Premier Douglas: — Mr. Speaker, the information which the Mover of the Motion has just given expresses a perfectly legitimate desire. He wants to get information if he can, giving him the facts as to why this company did not take up its option. It isn't a matter of them going out because they were never in, as the member knows. The Agreement has been tabled in the House and any member who has read it knows what the option was. They didn't take up their option. My hon. friend doesn't believe the reasons we have given and now he wants to verify them, and I don't blame him. That is perfectly right. You don't have to take people's word. You want to look at the correspondence. But if he wanted that kind of information, Mr. Speaker, it was a very poor way to word the motion because what he has asked for is something which would have two very bad results. First of all he asked to include not just letters with reference as to why they didn't take up their option, but all the correspondence — telegrams, letters and reports. Reports could include engineering reports, forest engineers' reports containing cost figures, which were given to the Minister in strictest confidence. If my hon. friend has read the Agreement he knows that the findings are turned over to the Minister in confidence. Are these reports, which cost some thousands of dollars to prepare by these engineers, to be turned over to anybody? There will be correspondence there which went on between the company and the two railroads on agreed charges. Talk about everybody knowing the charges — you don't know the charges, because, as everyone knows, there are agreed charges worked out. I have seen some of the correspondence of the 'haggling' (if you want to use the word) back and forth between the company quoting the cost, quoting the proposed figures, with the railways making proposals back and forth.

Neither the railways nor the company, I am sure, would want that sort of stuff made public. And I honestly believe my friend doesn't want that . . .

Mr. Danielson: — You don't need to worry about the railway company.

Premier Douglas: — . . . but that is what he is asking for.

Mr. Danielson: — Don't worry about the railway company.

Premier Douglas: — But I am worried about the railway company. I am worried about any documents which is placed in our possession, which we are asked to make public and have no right to make public. Because here is the second thing that will happen. My friend doesn't stop this with the Minister of Natural Resources, it is any Minister or any agency of the Government. Well I happen to have under my jurisdiction the Department of Industrial Development.

Mr. Danielson: — That is just what I thought.

Premier Douglas: — Yes, that is right.

Mr. Danielson: — That is why I put it in.

Premier Douglas: — My friend says that is why he put it in. Does he mean he wants to prevent companies coming into the province . . .

Mr. Danielson: — We want to know why you chase them out.

Premier Douglas: — If my hon. friend would listen; he was given two ears and only one mouth, if he tried to listen twice as much as he talks he would know something.

We have to correspond every day with companies who are coming into the province. What is the very first thing we do? We send and ask them for certain figures. “What are your estimated costs?” “What does your raw material cost?” “What are your labour costs?” They give us that information and we help them to work out a location, the kind of thing they can produce, what their fuel costs will be and so on. Does my hon. friend think that a single company would correspond with the Industrial Development Office if they knew that any time a Motion appeared we would give all of that type of information to the public? Of course they wouldn’t! Not a company would write to us; and I don’t think my friend wants to do that deliberately, but that is what his motion would mean. It would serve notice on every company that if you carry on correspondence with this government, if you gave any private information regarding your per capita costs, your per unit costs, your raw materials costs, your labour costs, they are just as likely as not to throw it open to the public. Well, we can’t do that and I do not think my friends want that.

Now if what my friend wants is simply the letter from the company stating why they didn’t take up their option that is what he should have asked for. But that is not what he has put in here, and I am pretty sure that the Minister will give him that kind of information under the amendment which he has proposed.

Mr. Loptson (Saltcoats): — You have already given the answer to that; you said it was just the freight rates.

Mr. Speaker: — Order!

Mr. McDonald (Leader of the Opposition): — Mr. Speaker, would it be because of this secret information that the Minister has in his possession that he is strongly opposed to setting up a Crown Corporation to manufacture pulp and paper products in this province?

Hon. Mr. Brockelbank: — I would answer the question, Mr. Speaker, but I am afraid it is out of order and has no relation to the Motion.

Mr. Speaker: — It has no relation at all.

Mr. McDonald: — I understand that on February 1st of this year . . .

Mr. Speaker: — You have already spoken and sat down.

Mr. Cameron: — Speaking to this Motion then, we understand that on February 1st, 1956, Mr. Coldwell asked for full and complete information to be tabled in the Dominion House pertaining to the construction of the pipeline – similar information to what we are asking here. I wonder if you have any information as to whether that has been tabled in the House of Ottawa to date.

Premier Douglas: — Mr. Speaker, if I may, on a point of privilege. I have no information but it will be subject to the same reservations that are always made in Ottawa, with reference to correspondence with a private company. That is all we are asking here. Where a company has given information which could be useful to its competitors, that can be withheld. Correspondence and letters to the Minister and that sort of thing are all right, but not reports that contain information which would be harmful to the company concerned. That reservation is certainly true with reference to the Trans-Canada; that has been stated every time a motion has been introduced.

May I point out again that I have had, I think, three letters in the last 10 days from Federal Ministers asking if we object to the tabling of certain information. In each case, if we object, they will not table it, even if the Motion has passed the House, because every Motion is passed with the understanding that they can refuse if the party involved does not give consent. In every case I have given consent but if we had objected that information would not be tabled.

The question being put on the proposed amendment, it was agreed to, 34 to 9.

The question being put on the motion as amended, it was agreed to.

The Assembly then adjourned at 4:30 o'clock p.m.