

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session - Twelfth Legislature**  
**24th Day**

Tuesday, March 13, 1956

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

On the Orders of the Day

**BUDGET DEBATE**

The House resumed from Monday, March 12, 1956, the adjourned debate on the proposed Motion of the Hon. Mr. Fines (Provincial Treasurer): That Mr. Speaker do now leave the Chair. (The Assembly to go into Committee of Supply).

**Mr. R. A. McCarthy (Cannington):** — Mr. Speaker, when I adjourned debate last night, I was speaking on our grid road system. I said yesterday that the Government had made three distinct promises in the Speech from the Throne last year with regard to these grids, and they hadn't carried out any of them. Now, while the municipalities have asked for a grid system they never had any idea they would be saddled with the sort of a grid they have today. In the first place, I believe the Government got the cart before the horse, when they were laying out the location of it. I think if they had gone to the municipalities in the first instance and asked them to draw a map indicating where they thought the proposed grid should go, then called them into Regina and let them co-ordinate it with adjoining municipalities, they would have had a much better system of roads as far as location is concerned, and much more acceptable to municipal men.

However, they used C.C.F. technique and had a bunch of the boys in the backroom set up a bunch of maps, draw some lines without consulting the municipalities, and after they had done that, went out and said to the municipalities, "Now here is your grid system."

**Hon. L. F. McIntosh (Minister of Municipal Affairs):** — Such nonsense!

**Mr. McCarthy:** — Many of these grids are not satisfactory as to location. Certainly no municipal man would have included secondary highways and marked roads into a grid system, and we have approximately 200 miles of secondary highways and marked highways included in our grid system at the present time. Most of the municipal men with whom I talk, especially in the eastern and southern part of the province have told me that this thing was out of their reach at the present time. The only thing they can take any particular advantage of it or go ahead with their grid would be to levy a special levy of four or five mills to carry the grid system, and they told me that they could not and would not do that at the present time. So it works out that your grid system as laid out, and as set up, is out of reach for a great many municipalities, without their being prepared to increase their mill rate for road purposes very substantially, and most of them are now in a position where they do not feel they can do it at all.

Now, another thing about this grid system which is a little misleading is the fact that you say it is a 50-50 deal. Well, I haven't any doubt

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that it is a 50-50 deal in the overall picture, but some of the municipal men tell me that they are being asked to put up a great deal more than 50 per cent of the grid. I think that should be clarified, because a lot of them, when they came in thought it was a 50-50 deal, but they soon found afterwards that that wasn't true. In my opinion this Government has shown more incompetence and arrogance in setting up this grid system than anything they have so far done in the rural municipalities.

Mr. Speaker, with your permission I wish to make a few remarks in connection with a radio speech made by the hon. Minister of Highways (Hon. J. T. Douglas) on January 24, 1956, just about six weeks ago.

**Hon. J. T. Douglas (Minister of Highways):** — Pretty good one, wasn't it?

**Mr. McCarthy:** — I am going to do this like an Irishman - I am going to read the last paragraph first. This is quite a paragraph, I assure you, to come from a Minister of the crown. He ends up by saying:

“These facts clearly indicate that since the C.C.F. took office in 1944 there has been a rapid and constant rise in municipal assistance for road purposes, and (this is the part I rather object to) gives lie to the silly and stupid statement that this Government is neglectful in its responsibilities to rural municipalities.”

I think that is pretty strong language for a Minister of the Crown to use over the air, Mr. Speaker. There are just two or three sentences in this which I want to comment on, and see just where the truth does lie in these matters. He starts off by saying:

“The basic problem faced by Saskatchewan rural municipalities in their attempt to provide roads for the ratepayers is one of too many miles of road with too few people to pay for the construction and maintenance.”

Well, I covered that yesterday fairly well, Mr. Speaker, and I am not going to say too much on it. But I am just briefly going to say this, that as far as the municipalities are concerned, land tax is the base of their taxation, and the number of miles of road remains the same whether you have 100 or 300 families, and your tax base is the same. So this statement was just so much political propaganda. Your tax base is the same; your miles are the same, and the sparse population doesn't enter into it.

Now, the next statement that I want to call your attention to is, he goes on here and says a lot about what the Liberal Government did from 1944 on . . .

**Premier Douglas:** — It's what they didn't do!

**Mr. McCarthy:** — Some of it isn't true, of course. He has said that so often that I don't think anybody believes him now. I am not going to go into that. But what I am going to read is this sentence from his speech, after he got through telling us how bad the Liberals were:

“in 1944 the C.C.F. Government inaugurated a policy of making road grants available to all the rural municipalities of the province.”

That's fine - I wonder who is telling the truth here! If they inaugurated that policy in 1944, they sure didn't stay with it, because in the last three years nearly half of our rural municipalities received no grant at all.

Now, reading that you would never think - the fellow out on the farm, listening on the air would say, “Well, that fellow is a pretty good fellow; he's really giving us grants;” but the fact of the matter is that 138 municipalities received no grants in the last three years.

Then he comes up with his old pet Public Revenue Tax, and he says: “It was turned over to the municipalities - the entire field of land taxation, which I would remind you, cost of the province over \$2 million annually.” I wonder how long we are going to have to put up with that sort of thing? We've heard a lot about it, and they are still giving it to the municipalities, according to them. They didn't give the rural municipalities anything; what they did do was pass a law saying the municipalities didn't have to collect it, and didn't have to remit it to the Government. So that statement is just so much C.C.F. propaganda.

**Hon. Mr. Sturdy (Minister of Social Welfare):** — What was the situation before that?

**Mr. McDonald (Leader of Opposition):** — You voted against it.

**Mr. McCarthy:** — Now, the next thing that I want to look at is this \$2 million item here. I think the Provincial Treasurer and the Minister of Highways should probably get together on that. The Provincial Treasurer, in an article in ‘The Leader-Post’ January 30, 1956, mentioned this, in trying to compute the amount of money that he had given to the municipalities - he mentions it is \$1,800,000; and the Highways Minister says it is \$2 million. Well, they can't both be telling the truth, but of course when a good C.C.F.'er gets up to make a speech a matter of a couple of hundred thousand dollars is neither here nor there, but I suggest they get together on this. It must be very confusing for people in the country to be told these two stories all at once.

Mr. Speaker, I am going to leave it to you and the people of this province to decide where the truth does lie in these matters.

**Hon. Mr. Kuziak (Minister of Telephones):** — They can't get it from you.

**Mr. McCarthy:** — I would like to say a few words about our proposed larger municipal units. Our municipalities are one of the few bodies that this C.C.F. Government hasn't been able to push around. Ever since they took office they have been attempting to put the rural municipalities into larger units, but they haven't succeeded. They are attempting now, in my opinion, through the Royal Commission, to do by the back-door what they were unable to do otherwise. They are attempting to brain-wash the public into the opinion that these municipalities aren't any good and probably never were any good; and to justify that statement, Mr. Speaker, I just want to read you a couple or three chapters out of this Commission report. The first one is Page 264, Chapter 64, and this is what it says:

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“Problems of appropriate organization were not generally recognized by communities and organizations. While the farm people of the province recognized all the major deficiencies of the present municipal system and suggested ways in which the deficiencies could be overcome, they did not give much consideration to whether the suggested improvements could actually be provided within the present nine-township municipal system.”

And here is a very potent statement - at the end of that it says:

“This Commission’s studies have provided conclusive evidence that there is no practical way in which modern road services can be assured until a basic municipal reorganization has been completed.”

There you have it – there’s your C.C.F. programme; that these municipalities are no good - they haven’t been any good and the only way they will work is to put them in larger units.

**Hon. J. T. Douglas:** — You’re the one that stated that - we didn’t.

**Mr. McCarthy:** — That’s what this says.

**Premier Douglas:** — Mr. Speaker, on a question of privilege, I must draw to the attention of my hon. friend that he is reading from the report of a Royal Commission - not speaking for the Government, or laying down Government policy. That has been made clear to my hon. friend repeatedly. The recommendations by the Royal Commission will be considered by the Government, and by the local governing bodies; but he is not quoting from C.C.F. policy, and he is perfectly aware of that.

**Mr. McCarthy:** — Well, do you repudiate the findings of this Royal Commission, then? This is your own Commission, appointed by your own Government.

**Premier Douglas:** — Mr. Speaker, the hon. gentleman asked me if I repudiate the recommendations. I said in the Speech from the Throne debate that the Government will give careful consideration to the recommendations of any Royal Commission, but we are not bound by them, nor do we consider any Royal Commission infallible.

**Mr. McCarthy:** — That’s fine, that’s fine. You’ve taken up a little air-time; nevertheless I say, in my opinion, this is C.C.F. policy, and I think I am entitled to say that.

**Hon. Mr. Nollet (Minister of Agriculture):** — You’re showing how stupid you are!

**Mr. McCarthy:** — Now, No. 65 says:

“The average nine-township municipality is too small to provide the financial and population resources for modern services. It is incapable of establishing sound jurisdictional relations because of the small size and lack of conformity with larger areas in which rural people associate for trade and other

services. It is incapable of achieving integration of its activities with other agencies, local and provincial, because of its area and jurisdiction.”

And here is the potent part of this paragraph:

“Its inability to build adequate rural roads, cited by nearly all communities and organizations contacted by the Commission, is a symptom of its deficiency. Unless revitalized soon, the rural municipality may well disappear as an important influence in Saskatchewan.”

Now that is what the Royal Commission says, and I think I have heard similar things like that said over on the other side.

Now, there are just another couple of chapters I wish to call your attention to, Mr. Speaker, and it is Page 252, Chapter 6, and this has to do with land taxes. I think I have heard the Minister of Education (Hon. Mr. Lloyd) make some similar statements to those in here. This one says:

“Local property tax is based primarily on land values and it is assumed that land values are a fair measure of ability to pay. Recent trends toward farm mechanization have meant investments in equipment as well as investment in land may need to be taken into account when determining the basis of taxation.”

What does that say? It simply says that they are recommending that, in addition to land, you tax the farmers’ means of production - that is, tax his implements.

Now, Chapter 7 on the same page says this:

“While all farm costs have been rising, land taxes have shown the least tendency to increase relative to other costs. This means that improvement in municipal, school and health services have been sacrificed to meet the rising cost of farming.”

So what does that mean? It simply is trying to tell us, I think, that we haven't been levying enough taxes. Now, I doubt that very many municipal men will agree with that.

I would rather take the opinion of our present municipal men of this province on those matters than the combined opinions of those so-called experts, many of whom had had little or no municipal experience. They are recommending larger units to be about the size of our provincial constituencies. I am sure practical municipal men will recognize this as just so much muddled thinking. The C.C.F. Government appears to have the mistaken idea that by putting our local institutions into larger units, they can solve their financial problems.

A quick look at our larger school unit set-up and a quick look at our larger school units’ debts, both in operating costs and capital expenditures running into millions of dollars, should show the fallacy of this thinking. After all, Mr. Speaker, the local people are going to pay those taxes, and they are the ones who should have the most say about how and where they are spent.

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Mr. Speaker, I think what is needed in this province is a provincial-municipal conference where we can sit down with the municipal men - the Government sit down with municipal men and go into their problems and properly allocate the responsibilities and sources of revenue as between this Government and our rural municipalities. It is long overdue. They go down to Ottawa a couple of times a year, and they get adjustments, but it doesn't work back to the municipalities. This Government should have courage to bring the municipal men in here, sit down with them and discuss their problems, and try to see if they cannot be ironed out, because after all, 25 cents of the municipal tax dollar is far too little for the municipalities to operate on. Some people over there I know don't believe that, but I am quite sure if you talk to the average municipal man he will tell you that. If we had this municipal-provincial conference, we could probably restore our municipalities to the proud position they once held in this province as the most efficient and democratic form of government that we had in the province. Today they are being regulated into just a puppet of this Government - a collection agency for other organizations over which they have little or no control.

Now, Mr. Speaker, my air time is almost up, but just before I sit down I would like to say just a few words about that fine constituency that I have the honour to represent, the constituency of Cannington. It is one of the most historic and best constituencies in the province of Saskatchewan. In that constituency (it is in the park area) we carry on a system of mixed farming there, and in a great majority of cases the people live on their own farms, and keep stock; and after all I think the Minister of Agriculture will agree with me that is the soundest system of farming in this province of ours. It may not make as much money quickly, but over the years it is the soundest programme of farming that we can have in Saskatchewan.

This past few years down there we have had excessive rainfall in eastern Saskatchewan. Some of the boys up north think they have all the water. Certainly they have got all the money (or most of the money) for paying for it, but they haven't all the water. In the constituency to the north of mine, where the hon. Leader of the Opposition lives, there is a great lot of damage in there. In all of Cannington we have had a lot of damage from water, and that is true to a certain extent, to the northern part of the constituency of Souris-Estevan. I think probably we have in that constituency one municipality that is suffering worse than any constituency in the province, and I would just like to give you, Mr. Speaker, a quick rundown. I have here the report which that municipality sent in to the Municipal Affairs Department in the spring when the water was high. Just to give you a quick rundown of this, they asked the number of miles of improved roads in the municipality and the answer was 365. Number of miles of improved road under water, 59. Number of miles of improved road not under water, but seriously damaged, 253. The number of approaches to bridges washed out, 38. The number of approaches to culverts washed out, 99. The number of bridges destroyed (10 feet), 27; 10 feet 20 feet, 37; 20 feet to 40 feet, 8; number of culverts, 81. Cost of repairing and damage, according to their estimate, was \$168,000, I believe, when the damage was appraised, but that was cut in two.

Now I just bring that to your attention, Mr. Speaker, because some of the members over on the other side are boasting about the amount of government money that went into their constituencies. I can assure that very little has gone into Cannington, except for this flood damage, and I'm going to say that they did

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**Mr. Berezowsky (Cumberland):** — How much did the Federal Government give?

**Mr. McCarthy:** — I'm going to say it. They did a fair job on that. They paid about 20 per cent of the final estimate of the cost, and I have no objection to it.

**Hon. Mr. Kuziak (Minister of Telephones):** — What did Gardiner give?

**Mr. Speaker:** — Order!

**Mr. McCarthy:** — But outside of that flood damage, and this flood damage didn't just start this year, Mr. Speaker, this has been building up for three or four years - some four years ago we had a town in there in the east end that had 38 inches of rainfall in one year, and that is where our water started to build up. Now, I don't know whether we are not as good at hollering as the fellows are in the north, but we certainly don't get near the money that they do in special grants, and yet we have similar problems. In fact, in some municipalities - I don't say all of them - we have a bigger problem. Why, the Minister of Highways even took a picture of an outfit - it must have been pretty bad because of all the work he was doing, he took a picture of an outfit working down there in Cannington, under difficult conditions on No. 13 highway. And they were difficult, but I can assure you that the municipalities difficulties were equally as great with a far less revenue to look after those difficulties.

Now, Mr. Speaker, my air time is up and I can assure you that I will not support the budget.

**Mr. J. W. Horseman (Wilkie):** — Mr. Speaker, in rising to take a small part in this debate, I can assure you that my remarks will not be too controversial, I hope, but I want to congratulate the Provincial Treasurer on the able manner in which his budget was presented. I didn't hear him, as I was not here, but I have heard him on many occasions and he always makes a very fine job. I should also like to congratulate him on the fact that he has presented more budgets in this House than any other Provincial Treasurer has, that is 12. Now if you take the numbers from 1 to 12 they are always considered sort of lucky numbers, but number 13 is considered by many people to be a very unlucky number, and I wonder if the hon. gentleman does intend to present another budget. You know, I have an idea that he is a little bit superstitious anyway, because before the budget was presented, we, the Opposition, would have liked to have had him bring in his budget on Friday. He refused to do so, and Friday is considered by many people to be an unlucky day, so I think he is just a little superstitious about these things. I wonder how he'll make out the next time!

Now, I must also congratulate my hon. friend from Canora (Hon. Mr. Kuziak). He gave us a great oration here the other day, and he was so carried away with his own eloquence at one time that he addressed the House as "Ladies and Gentlemen." He was, of course, delivering a political speech anyway, and I suppose the thought was in his mind that he was speaking to an audience somewhere out in the country! But he made a wonderful oration.

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I think as the session progresses, Mr. Speaker, it becomes more evident all the time that the C.C.F. Government here in Saskatchewan are looking for some issue - some new issue to go to the country with. In other words, they are looking for a new horse to ride - that's a common expression in politics. It doesn't matter what course you ride, as long as you get into power! You know, they have been riding this old horse, and his name, Mr. Speaker, is 'Regina Manifesto'. They have been riding him now for 20 years, and they have given him an awful come-and-go. I think it is time to get another horse to ride. In looking around for a new one, I believe they thought a while ago that cash advances on farm-stored grain might be the answer, but that was pretty well passed out of the picture now. That has cleaned itself up pretty well. But you know, they remind me of Richard the Third, when his horse was shot out from under him in battle, he wanted another horse very badly, so he got up on his feet and waved his sword, and he said, "A horse - a horse; my Kingdom for a horse." Now, Mr. Speaker, that's a pretty big price to offer for a horse, but then of course it just depends upon how badly you want a horse!

**Hon. Mr. Brockelbank (Minister of Natural Resources):** — You'd better depend on a mule!

**Hon. Mr. Nollet (Minister of Agriculture):** — You can always depend on "Jimmy"!

**Mr. Horseman:** — You know, sometimes, too, when I see the gentlemen opposite standing up here, striking a very majestic pose, speaking on this, that and the other thing, I often think of a Napoleon, trying to avoid Waterloo.

We have heard a lot about the terrible position the farmers are finding themselves in on account of not being able to sell grain. They are, in fact, in not too good a shape, but I think in the case of this kind, in a province such as Saskatchewan where agriculture means everything, that some responsibility in a matter like this should rest with the provincial government of the day. And I have been keenly disappointed, Mr. Speaker, that up to now this Government has made no move to help the farmers in this difficult period which they are going through.

I think there is plenty of opportunity here, Mr. Speaker, and I would like to remind them of an old saying, and a lot of these old sayings have a lot of truth in them, that "lost opportunities never return." I mentioned a few minutes ago that the Government here seems to be looking for a new horse to ride. We are all aware of the great filibuster that was carried on down at Ottawa by the Opposition members. The C.C.F. started it, of course, on cash advances on farm stored grain. They were supported by other Opposition parties. Well, they held the business of the House up for about three weeks pretty well, and the motion, of course, was defeated. As far as cash advances were concerned, they knew that the Federal Government of Canada - the people of Canada for that matter - would not adopt that policy. And the Bill was presented to the House to make guaranteed bank loans to farmers. The C.C.F. opposed that bill right through the House, even through the third reading. They knew when they opposed that Bill, or before they opposed it, that cash advances were out as far as that was concerned, but they wanted to try and deny the farmers what little bit of help they might get out of the guaranteed bank loans.



Now the Bank loans may not have been adequate - I don't think they are, but in a case like that there wasn't anything left, and yet they opposed it to the very last ditch. One of the federal members down there, as a matter of fact he is a federal member, made the statement in the House of Commons that many people of the west were talking about secession. I have heard rumours of that kind before many years ago, from a good deal of the same kind of course, and I want to say, Mr. Speaker, that statements of this kind by responsible public men cannot be too strongly condemned.

**Mr. Loptson (Saltcoats):** — Irresponsible!

**Hon. Mr. Sturdy:** — What about Studer? He was going to do away with Saskatchewan!

**Mr. Horseman:** — Now, I want to tell you members of this House that I am not against any measure, no matter what, that might bring assistance to our farmers, whether it is in the form of cash advances or anything else. But I can see many difficulties in the way of such a proposal as that. First, I think all members of the House know there is a constitutional point involved here. The Federal Government's jurisdiction over wheat rests on three things - control of grain elevators, control of railways, control of interprovincial and international trade. But within a province, outside of grain elevators and boxcars, the Federal Government has no control. Wheat on the farm, and within the province of origin, is outside the Federal and within provincial jurisdiction. Now, if the Federal Government were to instruct the Wheat Board to pay for wheat on the farm, it could not give first priority to its claim to this wheat. In terms of priority, whatever document was signed by the farmer would stand at the end of the line and be subject to provincial debt law. I believe that is correct.

But there are many other difficulties besides, that as I see it, in the way of cash advances on farm-stored grain. When you look at it from a good, common-sense business standpoint, many unfortunate conditions come into this picture. One of the greatest difficulties I see is that if you go to the country you will find thousands of bushels of wheat on the ground, buried under the snowdrifts. I wonder what that wheat will be like in the spring. It is a very unfortunate condition, but I wonder what that wheat will be like in the spring, and what the loss on that kind of stored wheat will be. You'll also find thousands upon thousands of bushels in temporary storage like deep snow-fence built around them, and a little paper put around the inside. I had occasion to notice one of these granaries last fall a day or two after the big December blizzard. This had been filled up with wheat, heaped up nicely and rounded on the top, and after the blizzard was over, and the wind had died down, the whole top of this heap was gone, and the wind had even scooped it out down about a foot below the snow-fence top, and scattered that wheat for miles across the prairies. Conditions like this are one of the worst difficulties that I see in the way of paying cash advances on farm-stored grain, because the losses will be very heavy. You will find grain stored in old buildings, old barns without floors, old houses and old granaries that have been in use for 40 years. We have an old building on our farm full of grain, and a lot of it isn't very good storage, but it is better than outside.

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Now, there is another danger, too, with farm-stored grain, a very real danger, and that is mice and things like that that get into the grain. Rusty grain also is a danger. Now these insects attack grain when it gets a little out of condition, usually and they do sometimes cause very serious damage. I know a man who lives near my place who had 15,000 bushels of wheat stored in a big granary - pretty fair storage, too. It stood there until about the middle of the winter, and he went out to haul some of this wheat out. He found that the whole thing was almost a total loss, from the rusty grain weevil.

Now these are some of the difficulties that I see in the way of cash advances on farm-stored grain. Another thing, of course, that would have to be done before cash advances could be paid - there would have to be a very rigid system of inspection of some kind. Someone would have to go to every farm, measure up the grain and see what there was there and see how it was stored before any common ordinary businessman would ever think of taking such a risk. Now it is unfortunate, but that is the situation as it exists. I think that to overcome this problem, the best way to do it is to provide more storage space at shipping points, where grain could be taken off the farms and put in proper storage where it could be looked after, and if the grain started to get out of condition they would have the machinery that could turn the grain over and cool it off again. If mice got into it, the same thing applies in the risk of losses would be very, very much reduced. If sufficient storage were provided, farmers would be able to deliver their wheat, or a good portion of their wheat, and receive the full initial payment for it, and would not be required to run the risk of the heavy losses on farm-stored grain that we are bound to have in many instances. Money also would have to be provided for cash advances on grain. Interest would have to be paid on the money, and I believe that it would actually cost the farmers more to put this system into effect, then it does to pay the 5 per cent interest on government guaranteed bank loans.

There is one thing about the bank loans. Very few farmers have taken advantage of it. The principal reason is this, that most any farmer who had a bunch of good wheat stored on his farm, provided that he had a reputation for honesty, and a reputation for paying his debts, did not need a government guarantee to go to the bank and borrow \$1500. The bankers were quite willing to loan him the money and that is one reason why this plan was not taken more advantage of. I believe the plan was inadequate; it was not what we expected; it was not perhaps what we wanted, but when it got down to the fact that it was the only thing we could get, I do not think that the C.C.F. members in Ottawa should have opposed the Bill, making that little bit of relief possible for the farmers.

Now, there is another angle to this thing. There are many farmers in western Canada who have very great quantities of wheat on the farms. I know a farmer who had as high as 100,000 bushels of wheat stored up. I wonder what the small farmer in the northern part of this province and in the eastern part of the province, where they had no wheat, and farmers in other parts of Canada, would think of the Government of Canada provided public money on the scale necessary to make cash advances on all this grain stored out on the farms. I wonder what the small farmer in other parts of the country would think of a system such as that. There have been lots of tears shed here in this house - crocodile tears, I think - over the fact that farmers have been unable to sell their wheat or their grain. Now, I am willing to admit the situation is bad; certainly not good; and

in some cases I believe it is serious. But we all know that for the greater part of this winter, almost ever since the big December blizzard, the country roads have been blocked to such an extent that in most areas wheat could not have been delivered in any case, even if the elevators had been empty and the market had been open. The situation has changed considerably since last fall. Orders have been coming in from countries that we never sold wheat to before, and it looks to me that in the next month or two the situation will be pretty well cleared up. Boxcars are being provided in quantity now, and I believe that by the time roads are in shape to haul wheat on, the situation will be pretty well cleaned up.

Another thing, of course, that has helped the farmers this winter is the payment on last year's wheat. Payment of 10 cents a bushel on 1, 2, 3 and 4 Northern. This was quite a help. And we know that we expect a final payment on last year's pool. We believe it will be about six cents a bushel. It will be another help. This payment of six cents a bushel that we expect was made possible by the fact that the Federal Government has taken responsibility for storage of farm grain in excess of the normal carry-over of 178 million bushels. This is a contribution to the western farmers direct from the Federal Government of \$32 million. I do not think that is anything to sneeze at. It does not sound like hate me; it sounds like a lot of dollars to me.

I am concerned about the farmer who has wheat that he cannot sell; I am; but I am much more concerned about farmers in many parts of this province who have no wheat and no grain of any kind to sell, where they were flooded out last spring and unable to get very much crop in. Many of them were unable to put in any wheat at all and they put in late barley, and we know what happened to late barley last year when the aphids came in and cleaned the whole works out. Now a situation like that - and I understand there are a good many places in the province that are in that very condition now. After the disaster of the rust epidemic of 1954, to get another bump again this year could cause real hardship, and cash advances or anything else does not amount to anything to the man who has no wheat to sell.

Now, I was quite interested the other day to hear the Hon. Minister of Education (Hon. Mr. Lloyd) make some comparison between the tax rate in Alberta and the tax rate in Saskatchewan. He picked out certain municipalities along the 4th meridian out here and he sought to prove my statement - and I have no doubt he was correct - that the taxes in a certain municipality on this side of the meridian were less than they were on the other side, and one municipality that he took as an example, Mr. Speaker, was the rural municipality of Senlac. I happen to know the rural municipality of Senlac just like I do the palm of my own hand. My farm is only one mile from the corner of that municipality and I have been over it and across it many times for the last 40 years. It is one of the lowest assessed municipalities in that area - I think it is the lowest, but I may be wrong there. There is a wonderful group of people who live in that municipality, good people, but the land all across the south side of the municipality is very rough, very, very rough, mostly pasture land. There are here and there are some good farms, but it is a mixed farming proposition there. The people raise a lot of cattle and they are grazing very well on that land. Across the north side of that municipality you are right in the

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sand hills. There is very little grass even for cattle, but it is used for grazing and I want to tell the House that some of the best cattle in Saskatchewan are grown in that municipality, but as far as the assessment goes, it is a very, very low-assessed municipality. And here is another strange thing about it. When you get right to the west end of that municipality, or almost to the west end, north of that, there is a strip of very good land there, real good land, some of it as good as the Regina plains. But there is only a small strip. Well, of course, that good land extends across the 4th meridian. Naturally it would not stop because the 4th meridian was there. It runs on into Alberta. And when you get to the first town across the border - it is Haven and Ferrier that is a good country in there. It is immediately west of Senlac municipality but the conditions are altogether different. There is no comparison at all, as far as that goes.

I haven't very much longer to speak, Mr. Speaker, and I am sure the House will be glad when I sit down, but there are a few more remarks that I would like to make. We celebrated our Golden Jubilee last year - 50 years since the province was formed. I had the honour of being a member of the Jubilee Committee, but I did not do very much work on the committee. I attended some of the meetings, though. But, I did attend a good many of the pioneer jubilee celebrations throughout the country during the summer and the people in even many small areas went all out to celebrate their 50th anniversary. They went to a lot of work and even a lot of expense. Why in our town up there they got a big steam game tractor and brought it in and led the procession with it. Two or three men of the town went out and bought that on their own. They have got it there yet. They had no use for it, but they brought it in and led the procession with it. Two or three men of the town went out and bought that on their own. They have got it there yet. They had no use for it, but they brought it in and there were about a dozen old engineers, old steam engineers, and they made it look like a new one. I thought it was a wonderful thing to do.

But in speaking of our pioneers, there is one group that we do not think enough about. We, the men, you know, the lordly men, like to think - and I think most of them do - that the progress that has been made in this province in 50 years was due to their efforts almost entirely. And they lose sight of the facts and the things that the pioneer women did in those early days. I have seen women come to this country from the East, from England and from Scotland and many other places; women who have been used to a lot of good things in life - at least better than the necessities of life, some of life's luxuries as well. And they settled down on these windswept plains of Saskatchewan and lived in sod shacks. They had many times only the bare necessities - just enough to keep them alive, but they stayed with it, and I often wonder how many men would have stayed on in this country if it had not been for the women. Of course, they raised their families under very trying conditions and I remember well - and many of you other gentlemen in this House will also remember - when it came along to the fall of the year and threshing time came, added to all the other duties, these women had to bake and cook for a gang of threshers. Twelve men was a small crew in those days. She would have to get the children ready to go to school in the morning, see that they were clean and dressed and get their lunches ready and then have dinner ready again for 12 or 16 men. When I look back at those times today - I didn't think much of it at the

time - but I wonder how they ever did it. Yet, those were the things that have made this province great and I said before that I think the next 50 years should belong to Saskatchewan. I do not believe, Sir, that we have even anywhere near reached our peak in this province in agricultural production alone, and we can see other things coming in and other natural resources being developed as times goes on.

The northern Saskatchewan that we always considered a wilderness; we did not think it was any good for anything - just a wilderness - fish, and fur and timber along the south edge. They are beginning to find out now that it is one of the great treasure houses of the world and people are beginning to get interested in it. I think that the government of Saskatchewan, no matter what party forms the next government, should pay a lot more attention to that north country than has been done in the past. There are areas up there with riches, I think, untold, and they are not even scratched yet. But if the country was made a little more accessible, growth or railroads, so the people could get in there, I think in the next 50 years, to development of this province will rival the development in the last 50 years in agriculture.

Mr. Speaker, that is all I have to say, but I cannot support the motion.

**Mr. G. H. Danielson (Arm River):** — Mr. Speaker, . . .

**Mr. Lopton (Saltcoats):** — You had better clean out your ears now.

**Mr. Danielson:** — I am not going to try to emulate the member for Canora (Hon. Mr. Kuziak) because I don't have to, Mr. Speaker . . .

**Premier Douglas:** — You're just 30 years too late.

**Mr. Danielson:** — You know, when he was speaking the other day I was sitting here - and I was down to the United States, last summer, on a trip and we put our car in a parking lot in one of the larger cities in the States; it was close to midnight before we got back to take the car out, and just as they were pulling out the cars and blocking every entrance into the parking lot, there was a gentleman came along in a sports roadster; he had a double horn and he stopped, with both horns blowing, blowing, something terrible, and the negro attendant of the parking lot went up to him and said, "Ah, partner; your horn is all right; blow your nose." I was just thinking about that when my friend over there was blowing his horn! I will have to say a little more about that later on.

Mr. Speaker, I was interested in the speech of the Minister of Social Welfare (Hon. Mr. Sturdy) yesterday. I never heard him deliver a speech of that kind, or the type of speech that he did, yesterday. It was mild and he was fairly moderate in his expressions, and he kind of had a pleading tone in his voice; and all he had to tell was what good work he was doing in the gaols in the province, and I agree with him - it is about time he did it - because it is sometime now since 12 years ago. But you would almost think, Mr. Speaker, that if he keeps on a little while like that - at least the way he spoke of it - pretty near all of us would want to go to gaol to get a big feed.

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But the member for Hanley (Mr. Walker) is not here, . . .

**Mr. Loptson:** — Yes, he is in here, he is just in the wrong seat.

**Mr. Danielson:** — Oh well. . .

**Mr. Cameron (Maple Creek):** — He is working down towards the opposite side.

**Mr. Speaker:** — Order!

**Mr. Danielson:** — I never heard a person who was raised on the prairies of this province, and he has probably been able to think for himself for the past 20 years or more, that talked as much nonsense as he did. He was speaking about hospitalization, and he was repeating all the good things and all the benefits that this Government has given the municipalities. “We gave them this; we helped them out there”; and he ended up in the millions. But when he came to hospitalization he made a special effort to impress on the audience listening to him that they should be grateful to this Government for what they have done as far as hospitalization is concerned. And he said this: “That, in the old days, the fact of the matter was, that if the municipalities couldn't pay the bill than the hospitals never got paid.”

**Mr. R. Walker (Hanley);** - Mr. Speaker, on the question of privilege, I did not say that at all. What I said was. . .

**Mr. Danielson:** — What did you say?

**Mr. Walker (Hanley):** — What I said was that if the person confined to hospital was an indigent the municipality had to pay the bill, and that if the hospital. . .

**Mr. Speaker:** — Order!

**Mr. Walker (Hanley):** — And that if the hospital bill was not paid by the patient, that it had to be added to the cost of operating the hospital and that added to the mill rate in the hospital district where the hospital was located.

**Mr. Danielson:** — He explains now what he should have explained yesterday.

**Mr. Walker (Hanley):** — I did.

**Mr. Danielson:** — Of course this is all happening because I am on the air, but that isn't what he said. That isn't what he said, and he knows it, too. Now I am going to read. . .

**Mr. Walker (Hanley):** — Mr. Speaker, on a question of privilege. . .

**Mr. Danielson:** — I am not letting you take any more of my time. You can explain that tomorrow.

**Mr. Speaker;** - Order! Order!

**Mr. Walker (Hanley):** — Mr. Speaker, on the question of privilege, I told the hon. member from Arm River what I said, and unless he is prepared to quote from the records and deny what I said I said, then he has to accept it.

**Mr. Danielson:** — Any person who was raised here - not only now, but in years gone by, and you have probably had more experience with it than most men in this House, Mr. Speaker, when you were in the municipal work and other countries in the world besides us. And one thing was this - that in spite of the hardships we had, there was nobody went without hospital treatment if he needed it.

**Premier Douglas:** — Oh! Oh!

**Mr. Danielson:** — And I say that without fear of contradiction.

**Some Government Members:** — Oh - oh - oh!

**Mr. Danielson:** — And my friend there can blow his horn all he likes. I know, because I lived here; I was chairman of the hospital board; I was on a hospital board for 32 years. . .

**Some Government Member:** — So was I!

**Mr. Danielson:** — . . . and I know what I'm talking about. And another thing, Mr. Speaker, I lived in one of the worst districts in the province of Saskatchewan so far as drought and crop failure was concerned. We piled up a hospital account of \$28,000 - but there was nobody turned away from the hospital. And let me tell my friend from Hanley (Mr. R. Walker) it would surprise him if he knew anything about it, which he doesn't, as to how many in those days paid their hospital bills. A remarkable number of people - far more than half of them - came in and paid their hospital bills when they left the hospital.

**Mr. Lopton:** — He was in short pants, then.

**Mr. Danielson:** — And in many cases, in a few weeks or a month, they came back and paid, if they were not able to pay when they were discharged. And I was also Reeve at that time, and I am going to tell you, Mr. Speaker, that when he says anything such as he said, that there were large amounts of money paid which he intimated would equal the amount that it costs the people now - for hospitalization that was paid by the municipalities, that statement is far, far from the truth.

Let us see what happens now. Who pays the hospital bills now, Mr. Speaker? Well, you charge every individual \$15 per person, every family \$40 - that is the maximum - and any person from that family who is over a certain age is classed as an individual and he pays for himself. That is what they do. On top of that you have a sales tax of one per cent which brings in around \$6 million a year. It brings in from every municipality, into this fund, by direct personal tax, Mr. Speaker, anywhere from \$13,000 to \$15,000 a year. It averages that, and maybe more. I was talking to a secretary-treasurer of a municipality not long ago, and he said that his municipality had paid \$32,000. It varies, of course,

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depending on the population in any particular municipality. Now that is what they do.

Mr. Speaker, there wasn't one municipality in the province of Saskatchewan that had half of that amount during the 'thirties to take care of their indigent patients. These fellows say they give it to us. They never gave a penny to any person in this province of Saskatchewan. They have taxed the people to the limit so they could have millions of dollars to render these services and to play around with. That is what they have done; and there have been a lot of things said during the last few weeks in this House. I heard about this 'cost-price squeeze' but there is another squeeze on, Mr. Speaker, due to the incompetence and extravagance of this Government and that is their 'cost tax squeeze'.

**Some Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — And you can see, today, that some businesses are lagging. Why did they do that? Because, Mr. Speaker, I, as an individual, and the rest of us here, we have a control of these expenses ourselves, and that is why we don't buy, and cannot afford to buy, and we hold back and try to harbour our resources; but not so with the taxes that were imposed by an extravagant government in this province of Saskatchewan. There is not a license fee or a tax, without it has been trebled and doubled several times since this Government came into power. And then they say they give the municipalities things! Well, Mr. Speaker, that is all I am going to say about that. I have said more than I intended to say now.

Now then, the member from Cannington (Mr. McCarthy) said something in regard to rural municipalities. I am going to make one statement, and this is my own opinion, and I am just as sure as anything in the world that I am right. I have been watching these underground suggestions coming from certain influential people in connection with this Government; they haven't got the courage to come out and say, "we are going to do this thing"; they had an experience with the school districts; and I am going to say this: if this Government is returned to power, Mr. Speaker, they are going to do exactly with the rural municipalities in this province as what they did with the school districts after 1944; and they are not going to have anything to say about it, and when that thing is done, then their theories and ambitions to be able to control (they cannot control the municipalities as they are constituted today), that is one of rock they have stubbed their toes against during the last 12 years, they haven't been able to dictate or control or suggest. By doing as they did with the Larger School Units they can tie them together, and by doing so they will have an opportunity to try to pick their own class of people to run them; and then, on top of that they will have one of these supervisors - municipal superintendent - who will be sitting in at the council meetings, suggesting to the council, telling them what to do as they do with the Larger School Units, and they will have a direct connection between these units out in the country into the Minister's office in the city of Regina. That is what they are aiming to do. They did it with the school districts, and it has worked fairly successfully, until, today, many of them are in a financial mess; they are in financial mire; and they are trying to rectify that. How are they rectifying it? They are now going to let the people



pick their own school trustees, by popular vote - not by delegates; they are now going to be gracious enough to let these people pick their own school trustees by popular vote. They have hopes that they can pick somebody with some brains so they can be able to straighten out the mess that they are in, today.

**Premier Douglas:** — That will eliminate you.

**Mr. Speaker:** — Order!

**Mr. Danielson:** — The good thing about that, Mr. Speaker, is that a fellow like the member from Weyburn (Premier Douglas) won't have anything to say about it. He thinks he will, but he won't.

**Hon. Mr. Nollet:** — Will you be the new Minister of Education, Danny?

**Mr. Danielson:** — I'll be back again if you are not back.

**Mr. Loptson:** — Probably without you. It won't be long now, boys.

**Mr. Speaker:** — Order!

**Premier Douglas:** — You'll have to do better than you did last time.

**Mr. Danielson:** — I was hoping that the Minister of Social Services (Hon. Mr. Sturdy), yesterday might go into some of the activities so far as his Department was concerned, but he skirted around the real important things and he dwelled, in a general way, on certain benefits and increases and so on, which have been brought about. I think perhaps he can say, that in some small cases - a number of cases - something has been done.

I have here a list of comparable Mothers' Allowances paid in Manitoba, Saskatchewan and Alberta; and I am going to read it to you, Mr. Speaker, and I think it will be of interest to you and maybe to some of the other members.

Now one mother and one child, in the province of Manitoba gets \$51 a month as an allowance; in Saskatchewan, they get \$40; and in Alberta they get \$50.

Two children and a mother gets \$76 in Manitoba; \$50 in Saskatchewan; and \$70 in the province of Alberta.

Three children and a mother get \$92 in Manitoba; \$55 in Saskatchewan; and \$85 in Alberta.

Four children and a mother get \$107 in Manitoba; \$60 in Saskatchewan; and \$95 in Alberta.

Five children and a mother get \$125 in Manitoba; \$65 in Saskatchewan; and \$105 in Alberta.

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Six children and a mother get \$138 in Manitoba; \$70 in Saskatchewan; and \$115 in Alberta.

Seven children and a mother get \$150 in Manitoba; \$75 in Saskatchewan; and \$125 in Alberta.

Eight children and a mother get \$150 in Manitoba; \$80 in Saskatchewan; and \$135 in Alberta.

Nine children and a mother get \$150 in Manitoba; \$85 in Saskatchewan; and \$145 in Alberta.

Ten children and a mother get \$150 in Manitoba; \$90 in Saskatchewan; and \$145 in Alberta.

The above rates, Mr. Speaker, for Manitoba to not include allowance for winter fuel; where the family has to purchase winter fuel the monthly rate is increased by amounts ranging from \$12 to \$22 per month for seven months of the year. The price of fuel allowance varies with the number of children.

Manitoba also has a complex system, under which liquid assets over \$3,000 are paid over to the Director and held in trust to be used for the benefit of the family. In Saskatchewan, when a mother has an income, not including family allowance, of more than \$45 a month, the mother's allowance is reduced.

**Mr. Berezowsky (Cumberland):** — Mr. Speaker, would the hon. member. . .

**Mr. Danielson:** — In Alberta,

**Mr. Speaker:** — Order! The hon. member. . .

**Mr. Danielson:** — Just wait till I am through this.

**Mr. Berezowsky:** — I just wanted to ask you a question.

**Mr. Danielson:** — You can sit down. I'll give you a chance to ask me a question.

**Mr. Speaker:** — He doesn't choose to answer a question.

**Mr. Danielson:** — In Alberta, when a mother has an income, not including family allowance of more than \$100 a month the mother's allowance is reduced. So you see, in Alberta, the mother's allowance is reduced only when a mother has an income of over \$100, not including family allowance; but in Saskatchewan they reduce its when the income is \$45 a month.

**Mr. Berezowsky:** — I just want to ask the question. What is the hon. member quoting from; where did he get his figures?

**Mr. Danielson:** — From Manitoba, and from Alberta.

**Mr. Berezowsky:** — From whom?

**Mr. Cameron (Maple Creek):** — Look them up yourself.

**Mr. Walker (Hanley):** — They are not right, that's all.

**Mr. Danielson:** — And from Saskatchewan. You can go and get them yourself if you want to.

**Some Government Member:** — They are not correct.

**Mr. Danielson:** — Some examples, Mr. Speaker, are cited here and they are very interesting. A mother and four children in Manitoba, heating their own home, would receive a mother's allowance of \$126 a month for seven months of the year, or \$107 for the remaining five months, or a monthly average of \$118 - a mother and four children, and that is in Manitoba.

In Alberta, a mother and four children would receive a mother's allowance of \$95 a month, and family allowance. If the mother's additional income is more than \$100, the mother's allowance would be reduced by the amount that was over \$100.

A mother and four children, in Saskatchewan, receive a mother's allowance of \$60 a month, and a family allowance (of course that doesn't come from the provincial government as they would like people to believe); but if that mother's additional income is more than \$45 a month, the mother's allowance must be reduced by that amount.

This means, Mr. Speaker - I was mistaken a moment ago when I said \$90 a month - as to when the reduction comes into effect in Saskatchewan.

'Humanity First' - we heard that, yesterday, from the Minister of Social Welfare. Well here is the point: The Dominion Government pays to persons over 70 years of age \$80 a month; the C.C.F. Government of Saskatchewan pays \$80 a month of mother's allowance to a widow with eight dependent children. Now that is something that we should know, and I was thinking the Minister of Social Welfare might elucidate a little on that and give us the information which the people should have.

Here is a comparison which I have drawn up myself, and I am going to give it to the House. A mother with one child gets \$11 a month more in Manitoba, and \$10 a month more in Alberta, than what they do in Saskatchewan.

A mother with two children gets \$26 a month more in Manitoba, and \$20 more in Alberta per month. With three children they get \$37 more in Manitoba, and \$30 more in Alberta, per month. With four children they get \$47 more in Manitoba, and \$35 more in Alberta. With five children, they get \$60 more in Manitoba and \$40 more in Alberta. With six children, \$68 more in Manitoba, and \$35 more in Alberta. With seven children, \$75 more in Manitoba, and \$50 more in Alberta. With nine children, \$60 more in Manitoba, and \$60 more in Alberta. With 10 children, \$60 more in Manitoba, and \$55 more in Alberta.

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Now this is something that everyone should know, and yet you hear these people, and all these Ministers, making familiar statements - that our people are the best looked after in the world, at least in Canada, so far as social services and social benefits are concerned. And I can see the Minister of Social Welfare, in his sanctimonious way, telling the people what a wonderful blessing has been bestowed on the people in the province of Saskatchewan. Well, Mr. Speaker, that is something that is not so in every case, as these figures indicate.

Now I know what they will say. They will say, "Well, you have hospitalization." Yes, that is true, but I want to remind them that that is \$15 per person, per year. . .

**Premier Douglas:** — Not in Manitoba!

**Mr. Danielson:** — Now just a minute. Manitoba has got health services and you are not going to get away with that. You are not going to get away with it. That is for a year, Mr. Speaker - \$15 a month - and there is three times that difference in the mother's allowance between Manitoba and Alberta and Saskatchewan. So there is nothing there. All they do is charge each person \$15 hospital cost, and that places the Premier and me and the mother's allowance cases, exactly on the same basis. The same basis. Just the same, Mr. Speaker, as you and I. . .

**Hon. Mr. Sturdy:** — On the point of privilege, Mr. Speaker. . .

**Mr. Cameron:** — Where is your point of privilege?

**Mr. Speaker:** — Order!

**Mr. Danielson:** — No, Mr. Speaker, I am not going to allow him to interrupt. He can ask me any questions after my radio time.

**Mr. Speaker:** — Order! Will you just take your seat?

**Mr. Danielson:** — No, no I am not going to do it.

**Mr. Speaker:** — He has a point. . .

**Mr. Danielson:** — He has no right to butt in on me. . .

**Mr. Speaker:** — He has. . .

**Mr. Danielson:** — No, he hasn't.

**Mr. Speaker:** — He is not going to butt in, I will see about that.

**Mr. Danielson:** — All right, somebody. . .

**Mr. Speaker:** — Just state your point of privilege.

**Hon. Mr. Sturdy:** — The information submitted by the hon. member is incorrect. The only. . .

**Mr. Lopton:** — That is no point of privilege.

**Mr. Danielson:** — That is not a point of privilege, I. . .

**Mr. Speaker:** — Order! All right, all right, you have said the information is incorrect, and that is your point of privilege.

**Mr. McDonald (Leader of the Opposition):** — It is correct.

**Mr. Danielson:** — Yes, he said it is correct. Then, I know what they are going to say — “Well, what about medical services?” Well, your Health Service report, Mr. Speaker, shows there were more mother's allowance and child welfare cases last year. In 1953-54, on page 135, and there is no doubt but what the Minister will agree that this figure is correct, but the average per capita cost was \$19.90 for the year; so if you take that out, there is still a tremendous gulf between the assistance that mother's allowance cases receive in the neighbouring provinces to what they do here. In this ‘human paradise’, Saskatchewan — “Humanity First” — don't let us forget that.

**Hon. Mr. Sturdy:** — May I ask the hon. member a question, Mr. Speaker?

**Mr. Danielson:** — I don't think you know how.

**Hon. Mr. Sturdy:** — There are 700 mothers. . .

**Some Opposition Member:** — Sit down!

**Mr. Speaker:** — Order!

**Mr. Cameron:** — You had your day yesterday.

**Mr. Speaker:** — Order!

**Hon. Mr. Sturdy:** — Yes, but I want to correct. . .

**Mr. Danielson:** — Well, I was very amused with the enlightening speech of the Minister of Telephones (Hon. Mr. Kuziak) the other day, when he talked about Crown Corporations. You know, it reminds me of the letter I read in this House a few weeks ago. You will remember, Mr. Speaker, the fellow who told in his letter that he couldn't pay the price for certain government services and he said he would have to run his windcharger with C.C.F. wind;. . .

**Hon. Mr. Kuziak:** — Gardiner wind!

**Mr. Danielson:** — And the Minister was surely talking like a windcharger, the other day; but after all, he said one thing — and he emphasized it time and time again — and that was the fact, Mr. Speaker, that there had never been any of the earnings of the Telephone and Power Corporation used

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to conceal, or to cover up any losses of the other Crown Corporations.

**Hon. Mr. Kuziak:** — That's right.

**Mr. Danielson:** — That's what you say. The Premier has said the same thing. Now I have gone into this pretty far, and I think the House should know the facts. His exact words when he spoke were:

“There was no truth in the assertion made by the hon. member for Cannington in a radio speech last year that profits of the Power Corporation and Telephones were used to cover the losses of other corporations.”

He said that. Each and every year, Mr. Speaker, in this Crown Corporations propaganda, some member of the Government - the Premier has done it (usually it is the Premier), or the Provincial Treasurer, making statements on Crown Corporations profits, which has included three things - and, by the way, here is your own report, so I am using your own figures; you don't need to worry that I am going to do like the member for Canora (Hon. Mr. Kuziak). “Profit claimed for C.C.F. Corporations” – that is included; “Net profit of Power and Telephones”; “Interest payments made by Power and Telephones” – these totals have not, of course, been broken down there; they would have revealed the true facts if they had been broken down - but they are there. Just the total has been given. As an example, I will take the profit for the year 1949 - by the way this is the 1949-50 report which, of course, covers the 1949 year of operations. In the Throne Speech debate of 1950, the Premier said this, when speaking of Crown Corporations.

“Last year, taking even the losses, including the losses of the Fish Board, which was largely a relief proposition, our intern statement will show, and I think it will not be far off the final audited statement, that these Crown Corporations, after depreciation and reserves have been set aside, will show a return of over \$3,000,000 in total, or about 7½ per cent of the capital invested.”

That was the Premier speaking.

Here is the first statement made about Crown Corporation surpluses covering the year 1949: The Premier said the total surplus was over \$3,000,000. In his budget speech of 1950, the Provincial Treasurer repeated Premier's statement or claim, and here is what he said:

“The individual reports covering operations during the fiscal year ending in 1949 indicate various results. When losses of the discontinued operations are excluded, net earnings of \$3,270,000 on average advances of \$39,440,000 show a rate of 8.2 per cent.”

Well, he jumps the Premier by almost two per cent.

Now here is the 'Saskatchewan News' which is paid by the taxpayers, containing all the C.C.F. propaganda they can pack into it, and it says this:

"March 15, 1950. Crown Corporations showed a net revenue of over \$3,000,000 to the Government Finance office."

There you have the story - and it is a story in more ways than one. It is designed, Mr. Speaker, to leave the impression that the Government had been successful in making shoes and bricks and blankets and what have you.

Now then, let us look at this thing. Now this is the proof or the foundation of what I am going to say. Here is the Premier and the Provincial Treasurer and to the 'Saskatchewan News' and they all, with a small variation in the money involved, make the same statement.

**Hon. Mr. Kuziak:** — Not your statement, though.

**Mr. Danielson:** — No, I am going to use your statements all the way through; and then surely you couldn't say it was hiding. Because you denied on the floor of this House that the Power Corporation and Telephones profits had ever been used to cover up. . .

**Hon. Mr. Kuziak:** — That's right. I still deny it.

**Mr. Danielson:** — You used them for several years, up to two years ago. You wait and see! Now here, Mr. Speaker, are the facts: When the report of the Finance Office covering this period was tabled in the Legislature one year later (that would be 1950) it gave the amounts of net revenue, before interest on advances; and I want you to bear these figures in mind: "Not, revenue before interest on advances - \$3,097,000." Note that it does not call this 'net revenue'. The auditor doesn't do that; the auditor doesn't call this net revenue, nor surplus, as the Premier did; nor 'net earnings' as the Provincial Treasurer did. He calls it 'net revenue before interest on advances'. The auditor then subtracts the operating costs of the Finance Office of the \$61,252 and the interest of \$1,229,187 paid to Power and Telephones. This leaves a surplus of \$1,736,000. The auditor does another thing here. The auditor says the total amount carried to Surplus Account is \$1,736,000 - and not \$3,000,000. That is the auditor's statement, Mr. Speaker, and these men know that the auditor's statements are correct. . .

**Mr. Walker (Hanley):** — Nobody is arguing with that.

**Mr. Danielson:** — No, but that doesn't prove what you say.

**Hon. Mr. Kuziak:** — It doesn't prove what you say.

**Mr. Cameron:** — Not the way you read it, it doesn't; you only go halfway down the sheet.

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**Mr. Danielson:** — Now then out of this, Mr. Speaker, you must deduct certain things. This surplus earned by Power and Telephones was \$1,562,700. Subtract that and there is left a surplus of \$173,000,577. That is not a surplus like the financial wizard, the Provincial Treasurer, gave last year, when he came in with that sensational sheet at the end of the session.

**Mr. Speaker:** — I believe the hon. member would like to correct himself there, when he said \$173 million.

**Mr. Danielson:** — I am glad, Mr. Speaker, that you corrected me, because it was a slip of the tongue and nothing else. This surplus earned by Power and Telephones was \$1,562,700; subtract that and there is left \$173,577 of Crown Corporations profit. But even then, Mr. Speaker, this isn't profit - this isn't a profit - that is very much less than \$3,000,000, but it is not a profit. Here is \$173,577 and it is not nearly enough to pay the interest on money advanced to these C.C.F. corporations.

**Mr. Walker (Hanley):** — Mr. Speaker, the airtime is over. . .

**Mr. Danielson:** — The advances for it 1949 were \$7¼ million; the money loaned and then borrowed by the Provincial Treasurer at 3½ per cent interest is \$254,000. There is \$80,700 more than the surplus of the Crown Corporations, and that shows a loss, Mr. Speaker, of \$81,000 instead of your \$3,000,000 profit.

**Mr. Walker (Hanley):** — Would you permit a question?

**Mr. Danielson:** — Read your own. Go and get all your auditors you have and all the wizards and figures, and figure this out and see if it isn't correct. Everything will come out as I have said.

**Mr. Walker (Hanley):** — Would you permit a question?

**Mr. Danielson:** — And then a man that tries to pull that stuff, that 'bunk' over the people of the province of Saskatchewan is either a fool or else he is so conceited that he thinks he can make the people believe anything he says.

**Hon. Mr. Kuziak:** — You judge everybody by yourself.

**Mr. Danielson:** — That's all right.

**Mr. Walker (Hanley):** — Will you permit a question?

**Mr. Danielson:** — That is the situation.

**Mr. Speaker:** — Order! The hon. member can speak for himself. Will the hon. member permit a question?

**Mr. Danielson:** — Yes.



**Mr. Walker (Hanley):** — Mr. Speaker, the hon. member made the statement that profits were transferred from Power and Telephones to the other corporations and I thought he was going to produce some evidence to substantiate his claim. Would he go back to that and submit some evidence?

**Mr. Cameron:** — It's in your own report.

**Mr. Danielson:** — You have your own reports and you can look at them.

**Mr. Walker (Hanley):** — Mr. Speaker. . .

**Mr. Speaker:** — Order! We can't allow this crossfire.

**Mr. Walker (Hanley):** — You are going to abandon that claim, are you, Herman?

**Mr. Danielson:** — It is on page three. Of course, Mr. Speaker, it is just a waste of time to talk to the member from Hanley. He doesn't know anything.

**Mr. Walker (Hanley):** — I'm just trying to find out, Herman.

**Mr. Danielson:** — But that is not all, Mr. Speaker. This is not a new thing. All of their figures are the same way; just half-truths are told, and figures are used in such a way that they can convey something that isn't true. It isn't a fact.

**Mr. Willis (Melfort-Tisdale):** — What a confession.

**Mr. Danielson:** — And that should never be in this House. Well, you can laugh all you like, but let me tell you this - there isn't one of them that disputed one figure that I used. Now don't forget that.

**Hon. Mr. Kuziak:** — You haven't proved anything.

**Mr. Danielson:** — Well, then your own statement is wrong; do you want to say that your auditor's statement is not correct?

**Mr. Walker (Hanley):** — You didn't show any transfer of profits.

**Mr. Speaker:** — Order! Order!

**Mr. Danielson:** — Well, shut up. Go on back to Canora and talk to some of your friends back there - the only time they hear you is on the radio.

**Hon. Mr. Kuziak:** — You can't twist the auditor's statement.

**Mr. Speaker:** — Order!

**Mr. Danielson:** — Well, during the past few weeks, Mr. Speaker, many things have been said by these people, and you can't blame me if I pick out a few of these things, today, and say a few words myself.

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**Some Government Member:** — We'll be tolerant.

**Mr. Danielson:** — Things cannot be anymore misrepresented than what they have been on the floor of this House. One thing in all this is that we can go back and prove to these gentlemen on the other side of the House -they made certain statements in years gone by and they cannot deny that, because we have proof of those statements. I am rather amused when we hear the explanation, the excuses and sometimes even abuses that are heaped on us this side of the House, when we remind the gentlemen over there that they should have lived up to their promises, and that they should at least, when they had an abundance of money, which they have at the present time, and they are going to get more, that they should at least make an effort to try to rectify some of their mistakes which they have been making during the last few years.

Many things have been said about education, Mr. Speaker, and we know by the reports submitted by the Larger School Units and the educational institutions in general that the thing is not very rosy; but when the Premier's promises were read to him on the floor of this House, a few days ago, he was quite indignant that such a thing should be drawn to his attention at this late date, and I am going to read it to him again. I have his broadcast here. He read one himself a few days ago, but it wasn't the one he thought it was, and he was stopped in his tracks.

**Premier Douglas:** — I read the one the Leader of the Opposition sent over. It's the only one I had. He keeps those little billet-doux — I don't.

**Mr. Danielson:** — How in the world could he put it over a 'superman' like you are?

**Mr. Cameron:** — You get, though; you read the wrong one.

**Mr. Danielson:** — Here it is:

“The first thing a C.C.F. Government would do would be to recognize education as a responsibility of the provincial government. There has been a tendency on the part of the provincial government to pass the buck to municipalities and local school boards for maintaining our educational facilities. The time has come when we must recognize that Canada's constitution places the responsibility for teaching our children squarely upon the provincial government and it cannot be passed to any other body.”

I don't think he can deny that. He wishes he could.

**Premier Douglas:** — I don't want to.

**Mr. Danielson:** — He has been trying to but he made such a fizzle out of it that nobody believes him, but I was, more than anything else, intrigue when his right-hand bower, the Minister of Education, had come to

his rescue and he said this, in his speech in this House:

“No intelligent person could interpret the Premier's promise to mean that the province would pay the entire cost of education.”

**Some Government Members:** — Hear! Hear!

**Mr. Loptson:** - What about the fellow that said it?

**Mr. Speaker:** — Order! Order!

**Mr. Danielson:** — Well, isn't that something? The Minister of Education said that nobody should believe the Premier of the province when he makes a promise.

**Premier Douglas:** — He said ‘intelligent persons’; you wouldn't understand that.

**Mr. Danielson:** — By the way, Mr. Speaker, I agree with the Minister of Education 100 per cent. I discovered that 12 years ago, and I have told him many times that I don't believe him at all. But now I know I'm right because his right-hand man sits there, a Minister of the Crown, and re-affirms the statement that I have made time after time on the floor of this House. Don't criticize us any more, because we have evidence to prove that we are on the right side, and that. . .

**Mr. Walker (Hanley):** — But going the wrong way.

**Mr. Danielson:** — And the Minister of Education should know something about this thing, too, because he knows something about education. He is the fellow, you know, who is pretty positive in his ideas and very positive in his convictions. You know I remember in the early days here - I think it was in 1944 or 1945 – the 1945 session likely, when I was sitting over here and there were only five of us here at the time; and we caught up and criticized the Minister because he didn't let the school districts vote as to whether they wanted to go into the Larger School Units or not, and he got up and made a speech, and he said this:

“Those who oppose the necessary administration changes which will bring greater educational advantages to boys and girls can well be classed as scoundrels.”

Well, I haven't forgotten that, Mr. Speaker. And now when he comes up and says that nobody can believe the Premier, no matter what promise he makes. . .

**Mr. Loptson:** — Nobody with any intelligence.

**Mr. Danielson:** — With any intelligence, that's right. Nobody with any intelligence. And of all these people over there who supported the Premier, only the Minister of Education says that he shouldn't be believed when he makes statements, so these other fellows must all believe him, except the Minister of Education.

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**Mr. Loptson:** — They can't have much intelligence.

**Mr. Danielson:** — But don't forget, Mr. Speaker, that the people of the province of Saskatchewan haven't forgotten about it, and they won't forget about it, either, because. . .

**Premier Douglas:** — Hear! Hear! And they told you on two occasions what they thought, too.

**Mr. Speaker:** — Order!

**Mr. McDonald:** — They'll be telling you this year, boy.

**Mr. Danielson:** — Who told who, Mr. Speaker. . .

**Premier Douglas:** — John Dixon got you back in here.

**Mr. Speaker:** — Order! Order! Cease the crossfire.

**Mr. Danielson:** — He doublecrossed you; he's a C.C.F.

**Mr. Loptson:** — And he doublecrossed you.

**Mr. Speaker:** — Order!

**Mr. McDonald:** — The beginning of the end.

**Mr. Danielson:** — You'll have to send up more Ministers to do anything to me. There is no place for C.C.F. there.

**Mr. Walker (Hanley):** — You wait and see!

**Mr. Speaker:** — Will the hon. member cease dealing with. . .

**Mr. Danielson:** — Say, Mr. Speaker, why don't you speak to the Premier?

**Mr. Speaker:** — I have called him to order just the same as you.

**Mr. Cameron:** — He doesn't listen to you, though.

**Mr. Danielson:** — But the people of the province haven't forgotten that. They are in a 'tax-squeeze' now. You bet they are, and as I said a little while ago, that particular tax-squeeze is not within their control, like other things are as far as their expenses are concerned. They can cut down and get along with what they have, but not so with the taxes that are growing every day and growing every month and they have to be paid, or else very land is jeopardized; and the longer they stay the larger and larger the obligations become. So don't forget this - there is one thing about this Government, Mr. Speaker, it has absolutely underestimated the intelligence of the people of Saskatchewan.

Now the gentleman from Canora (Mr. Kuziak) who spoke, he thinks that all the people in the province are like he is, probably, because I cannot believe there are people in the province of Saskatchewan who would take any stock of what he said the other day, because it was all a bunch of. . .

**Mr. Willis (Elrose):** — Good stuff.

**Mr. Danielson:** — A bunch of ‘hoey’ that is all. There was no substance or truth, and I have proven that here today, with the Government's own statements.

**Mr. Walker (Hanley):** — You had better start proving it.

**Mr. Danielson:** — So that is the situation. I can assure you, if you think you will put anything over on the people of the province of Saskatchewan, you are absolutely wrong.

**Mr. Walker (Hanley):** — You have found it won't work, eh?

**Mr. Danielson:** — You are absolutely wrong, and I know you are very much worried - you bet you are.

**Hon. Mr. Nollet:** — Don't get too enthusiastic about it!

**Mr. Danielson:** — You are afraid. Don't laugh, because I know you are. You are afraid of these men who are turning away from you; they are all over the province and they are increasing day by day.

**Mr. Walker (Hanley):** — Who are you going to nominate in Hanley?

**Mr. Speaker:** — Order! Order!

**Mr. Danielson:** — I want to say a few words to this man who is Provincial Treasurer in this province. I said the other day, that he is the only man in the world, in Canada at least, who can borrow himself out of debt. I say that again, and he persists in telling the people that he is doing that, in spite of the fact that since December 31, 1948 to December 31, 1955 he has increased the public debt of this province by \$55½ million.

**Hon. Mr. Kuziak:** — He's going to muddle the debt deck, too!

**Mr. Danielson:** — Yes - \$55½ million. Will he must think he is talking to people like the member for Canora, too, because no person (using the phrase of the Minister of Education) of any intelligence whatever could swallow that, because when it comes to financing there is hardly a person living that hasn't had some troubles had some experience along that line, and they know this - that when you borrow a dollar, and you spend a dollar, you have to get it someplace; and if you don't have it, you borrow it; and that is exactly what he has done to the extent of \$55½ million.

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Now then, he has been rigging up certain figures to prove to the people that the public debt is not what the members on this side of the House say it is. It is peculiar thing that every bank, every financial institution of any size or reputation at all, never use his figures; they are using the figures that I have here. I have the D.B.S. statement here, and they give, as at March 31, 1955, the net debt for Saskatchewan, as being almost \$184 million, Mr. Speaker. The Provincial Treasurer had given the figure at the end of the calendar year - that was three months earlier and he said there was \$90½ million. Of course he got this result by subtracting \$93½ million from the figure that the D.B.S. used. It was just as simple as that. Isn't he a wizard? I think he's a freak! He can do something with figures that no other man with a responsible position has ever done, and he expects us to believe him. Well I would say to him that people are not all fools.

What about the Bank of Montreal? No bank, Mr. Speaker, or any financial institution that is dealing with the public in the line of investments or financial business of any kind would have dared use the figures that the Provincial Treasurer uses. They wouldn't dare do it, because they would mislead the people that do business with them. And here is what the bank says in the introduction, at the beginning of their book:

“This compilation of the outstanding funds and loans and guarantees of the Government of Canada and also provincial governments at the 31st March, 1955, a statement has been prepared for the information of our clients who are interested in Canadian securities. This information contained in the booklet is not guaranteed, but has been okayed from authoritative sources.”

That is the obligation of financial institutions and they will never - and that not only goes for the Bank of Montreal, but it goes for all financial institutions of any responsibility - they will not use figures which the Provincial Treasurer has been using in this House and in many other places when he is speaking.

Now here again, Mr. Speaker, we find the statement which defers, it only a few short months, from the one I just read from the Dominion Bureau of Statistics - \$184,527,000 as at March 31, 1955 - \$184½ million. This figure does not include contingent liabilities; if the fees are added it comes to \$180 million. They were given three months earlier - that is, the figures of the Bank of Montreal - as \$80 million, and he gives his figures as \$80 million instead of \$184½ million; and he gets the figure again, by taking his pen and slicing of \$100 million. It is just as simple as that. Well I would say, if he has any respect for the people that sit in this House - I know he has no respect for us on this side - but if he has any respect for the people on that side of the House he shouldn't try to put that over.

**Hon. Mr. Fines (Provincial Treasurer):** — Mr. Speaker, may I ask the hon. member a question about the table, before he closes it. I am very interested in that. What is the net debt - that is, the total of the per capita debt for Saskatchewan there?

**Mr. Danielson:** — Well, I can look that up, but I am not going to stay here and look it up for you. You can look it up yourself.

**Hon. Mr. Fines:** — I would be interested in that, if you have it there.

**Mr. Danielson:** — I have it here but I am not going to take the time to look it up.

**Hon. Mr. Fines:** — Well, it's right there.

**Mr. Danielson:** — I think the per capita debt of the province of Saskatchewan is around \$200, if I remember; I just glanced at it, the other day.

**Hon. Mr. Fines:** — Well, Mr. Speaker, is it true that the per capita debt of the province of Ontario is showing bare as the highest in Canada?

**Mr. Loptson:** — That has nothing to do with it.

**Mr. Danielson:** — No, I think there is one province higher than Ontario.

**Hon. Mr. Fines:** — Ontario is the highest.

**Mr. Danielson:** — But if you know it, why do you ask me? Any man can sit down and. . .

**Hon. Mr. Fines:** — May I ask another question? Has the hon. gentleman read the municipal debt in that particular table of the provinces? It is at the extreme right-hand side - the per capita municipal debt. Would he care to tell what the Bank of Montreal has to say about that?

**Mr. Danielson:** — I am dealing with the finances of the province of Saskatchewan. You can get the debt so far as the municipalities are concerned; they are available; I think we had them here. . .

**Hon. Mr. Fines:** — They are right there in that book.

**Mr. Danielson:** — Sure, they are in there. There are pages and pages of debts of there.

**Hon. Mr. Fines:** — Just the last page.

**Mr. Danielson:** — There are pages and pages, divided into per capita and provinces and in different ways; and the amount of bonds that were issued and the interest rates, and all that sort of thing. There is all kinds of information in this book, and surely to goodness, if you know where they are, why are you asking me? If you don't know it, I will go over to your office and give you this book.

**Hon. Mr. Fines:** — I know; I was wondering if you knew.

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**Mr. Danielson:** — Yes, sir, I know.

**Hon. Mr. Fines:** — Are you willing to tell us what the municipal per capita debt, as quoted in that column, is? Let's have it.

**Mr. Danielson:** — I am going to say to him - if he will ask me that question I will tell him tomorrow. Sure, if he wants that information from me I will give it to him tomorrow.

**Hon. Mr. Fines:** — I want it now.

**Mr. Danielson:** — Well, I am not going to do it now, Mr. Speaker, because he is caught and he can't disprove one word I have said, so that is why he is trying to divert. . .

**Mr. Speaker:** — I think the hon. member should go on with his speech.

**Some Government Member:** — Are you still going to be talking tomorrow?

**Mr. Danielson:** — The trouble is, Mr. Speaker, when I speak everybody else wants to speak over there. You see, the truth hurts. When you look him in the face and tell him the truth, that hurts him and he can't sit still. The Premier couldn't even contradict me, so there you are.

Well, Mr. Speaker, I think I could make another budget speech here if I had a little more time, but I want to talk about flood relief - for a minute or two, Mr. Speaker, because that is one of the first things the Premier attack to the Government of Canada on, when this session open, in the first speech he made, why he was very, very strong in his condemnation of the actions of the Federal Government, on account of the discrimination which they have imposed on the province of Saskatchewan. That is what he said. Of course, I am not saying that, but that is what he said. You see they are always looking for something to lambaste the Federal Government about. You know if these fellows didn't have the Federal Government they wouldn't have anything to say - they wouldn't have anything! Now the cash advances on which they were going to win this next election have boomeranged on them, and it has blown back in their faces and they have nothing there. Now what do they have to do. . .

**Hon. Mr. Nollet:** - We'll see when the election rolls around.

**Mr. Danielson:** — . . . is distract attention from themselves through criticism of the Federal Government. These fellows couldn't operate very long if they didn't have the Federal Government, Mr. Speaker, because they are getting twice as much money, more than twice as much money from the Federal Government in cash, payable to them, as we had as our entire revenue in the province in the years when we were in office. On top of that the old-age pensions have been taken over by the Federal Government; family allowances are paid in here; medical grounds of almost \$3 million a year are being paid into this Government; and now they are facing the prospect of getting \$9 million for medical services in the province, and an increase in the tax agreement, which will net them approximately (if the press is correct and I don't think they are very far out) and increase to about \$35 million; it is around



\$28½ or \$29 million at the present time, so you see the increase there. That is the reason they have been able to hang on. They spend money right and left, it has never been very wisely spent, but nevertheless they have had enough to play with while they have been in office the last few years, and on top of that what they couldn't get from the Dominion government, they just soaked taxes on to the people of the province. And as I said that tax-squeeze is on right now.

The Premier to very, very strong exception to the deal that he got from the Dominion Government in regard to the cost to defray the damage which was caused by the flood last spring. And there is one thing I would like to point out to you, Mr. Speaker, and that is that the Dominion Government did not set the damages - the Provincial Government did that - and the Dominion Government, under a certain formula, which has been accepted all over the Dominion, paid half of that damage, or half of that claim. So when he set the price for this certain amount in the province of Saskatchewan, and the Premier of Manitoba did the same thing, that was the action of this Government and the Manitoba Government; and then they told the Dominion Government what their claim was, and they agreed to pay one-half of that claim.

**Premier Douglas:** — So that I do not mis-quote my hon. friend later on in the debate, do I get my hon. friend's point clear - is my hon. friend saying that the Federal Government agreed to pay to us the same percentage they paid in the Fraser Valley and in the Red River Valley floods?

**Mr. Danielson:** — Just a minute - you are bringing in things that I never mentioned.

**Premier Douglas:** — Well, I am trying to find out what you do mean. I may want to quote you, later.

**Mr. Danielson:** — Sure, you'll have a chance. You have lots of time for that yet.

**Premier Douglas:** — I am not worrying about the time, but I am trying to find out what you mean.

**Mr. Danielson:** — We'll deal with that. The Dominion Government, Mr. Speaker, agreed to provide aid to those who suffered loss in the 1955 flood in Saskatchewan and Manitoba, and on the same basis as they aided for losses when Hurricane Hazel destroyed property in the province of Ontario.

Under this agreement the Dominion Government will contribute equally with the province to assist the flood victims. The Premier of this province called it discrimination against Saskatchewan, and he said that the Dominion Government should provide 75 per cent. I don't blame him for asking for that, because sometimes you can get it that way, and he has never been bashful about asking Ottawa for anything, when it comes to getting something out of the Dominion Government. Here is the thing that I want to point out: In recent years the Dominion has come to the aid of provincial governments in at least six cases, to provide aid to persons who have suffered property losses in this country. There was the Fraser Valley flood in 1948; and the Red River flood in 1950; the fire in Quebec in 1950; Hazel hurricane damage in Toronto in 1954; and the flood in Saskatchewan and Manitoba in 1955. In

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each of these cases the Dominion has shared equally with the provinces concerned in compensating persons suffering property losses. There has been absolutely no discrimination against Saskatchewan.

**Premier Douglas:** — What is my friend quoting from?

**Mr. Danielson:** — I am just giving you part of the history - I am leading up to what you want me to. I am mentioning the instances and the cases which have gone before, where the same assistance by the Dominion Government has been extended in other provinces, as was agreed to in the province of Saskatchewan.

**Premier Douglas:** — Would you give the amounts?

**Mr. Danielson:** — Just hold your horses. In the Fraser Valley flood, the cost of the property damage and emergency relief measures was estimated at \$10 or \$11 million. The Dominion Government provided that sum of \$5 million to this province in meeting these costs.

In the Manitoba flood of 1950, the joint Dominion-Provincial Commission set the cost of the property damage and emergency relief measures at \$26,632,000. The Dominion's share of the cost was \$12,500,000. The damage covered did not include personal effects or farmers crop loss.

The same policy was followed respecting the fires in Quebec. A joint Commission reported that the net loss of property destroyed, less insurance, at \$7,493,000. The Government of Quebec decided to contribute \$2,500,000, and the Dominion contributed an equal amount.

In Coshana the damage was \$825,000, in the province of Quebec contributed \$300,000 in the Dominion Government contributed a like amount.

For Hurricane Hazel in Toronto, the Dominion government provided \$1,000,000, an equal amount to that contributed by the Government of Ontario.

**Hon. Mr. Brockelbank:** — Is that your speech you are reading?

**Mr. Danielson:** — Well, you can see that I am reading this because there are a lot of figures in it.

**Hon. Mr. Brockelbank:** — Well, Mr. Speaker, on a point of order, I think we have a right to know whether it is his speech he is reading, or whether he is quoting from some supposed authority.

**Mr. Danielson:** — You can find out all this information if you want to go to work and find it, and set it out on a piece of paper. He's silly, that's what he is.

**Hon. Mr. Brockelbank:** — Mr. Speaker, I may be silly, but I never got up and read. . .

**Mr. Danielson:** — He said something, he said something. . .

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Brockelbank:** — On a point of order, I never got up in this House and read from a document without giving the authority.

**Mr. McDonald:** — He prepared it himself.

**Hon. Mr. Brockelbank:** — The hon. member refuses to give that authority.

**Mr. McDonald:** — Herman Danielson.

**Hon. Mr. Brockelbank:** — And if he isn't quoting from a document, from an authority, then he is infringing on the rights and privilege of this House by reading his speech.

**Mr. Cameron:** — In that case, half your Cabinet Ministers are out of order.

**Mr. Danielson:** — Mr. Speaker, I am glad to take full responsibility for what I am saying here. The figures have been gathered from documents which are available to anyone. It takes a little while to get them; he would probably have to go outside his office to get them, but they are correct figures and I am giving information to the House.

**Hon. Mr. Brockelbank:** — It's your own speech, then, eh? Your own words?

**Mr. Danielson:** — I am taking full responsibility for what I am saying and for what I am reading.

**Hon. Mr. Brockelbank:** — Okay. Well that settles that.

**Mr. Danielson:** — I think you could have come to that conclusion long ago.

**Mr. Kramer (The Battlefords):** — You have 15 persons responsible.

**Mr. Speaker:** — Order! Order!

**Mr. Danielson:** — In each of these cases the Dominion Government paid something less than half of the damages and immediate relief measures; in addition to the Dominion contribution to compensate individuals for loss of property in the Fraser Valley case; and in the case of the Manitoba flood in 1950, the Dominion agreed to pay 75 per cent (and this is interesting to the Premier, but we must put this thing in its proper place) - the Dominion agreed to pay 75 per cent of the cost of building dikes; further reference will be made in this statement later on. But there is my point.

The Premier complains that the Dominion payment to Saskatchewan is only \$100,000. I am not criticizing him for that; that is his privilege, but what I want to say to him is that it was the Saskatchewan Government and not the Dominion Government that set that figure; and that is correct, too. This provincial Government was asked to decide the amount of compensation which it required for property damages. Provincial Government decided how much

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they were prepared to pay, and the Dominion Government would pay an equal amount. If the amount being paid by the Dominion is \$100,000 is because the Provincial Government decided to pay that sum as its share of the damage costs. The Premier complains about the Dominion Government. . .

**Mr. Speaker:** — Order! It sounds very much to me as if you are reading something that has been given to you. The terminology there is certainly not as if you had prepared it yourself.

**Mr. Danielson:** — I am referring. . .

**Mr. Speaker:** — If you are quoting from any authority, you should give the source of your authority.

**Mr. Danielson:** — The figures are got from their proper source, that is all — just the figures.

**Hon. Mr. Brockelbank:** — Oh, don't kid us; you didn't write that.

**Mr. Danielson:** — I declare now, Mr. Speaker, and I have every right to do that - what about the Premier; the Premier has complained about the delay of the Dominion Government, time and time again, over the radio and in this House. He certainly made the statement in this House that it was a long drawn-out affair and it was hard to get this thing straightened out and the Dominion Government had not done what they were supposed to have done.

**Premier Douglas:** — Hear! Hear! I'll say it again.

**Mr. Danielson:** — You see, he is backing me up. He will likely tell us more about it.

In the Fraser Valley, as in the Manitoba disaster, the Government agreed to pay 75 per cent for building dikes to prevent a repetition of floods; that had nothing to do with damage, there was no connection whatever with the flood damage that was paid to the people who suffered losses. This was a protective action from further floods damage.

**Hon. Mr. Nollet:** — Well, that is just what we wanted — something for drainage and diking.

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Nollet:** — And we couldn't get it.

**Some Government Member:** — The flooding damage doesn't amount to a hill of beans, but you. . .

**Mr. Speaker:** — Order!

**Mr. Danielson:** — From the very beginning this drainage business has been the business of the province of Saskatchewan. . .

**Hon. Mr. Nollet:** — But Jimmy tells us. . .

**Mr. Speaker:** — Order!

**Hon. Mr. Nollet:** — . . . in B.C. and Manitoba.

**Mr. Speaker:** — Order! Order! We cannot have this crossfire across the floor.

**Mr. Cameron:** — They can't take it, that's the trouble.

**Mr. Danielson:** — Mr. Speaker, I felt kind of ashamed at myself sometimes, sitting here, when you have had kind of a hard time with us, keeping us in order, and I sympathize with you in trying to keep them in order.

In an interview with the press of May 9th, the Premier said:

“We hope, Mr. St. Laurent will take the same attitude towards our emergency situation, created by extensive floods, as he took in Hurricane Hazel in Ontario.”

That is exactly, Mr. Speaker, what the Dominion Government is doing now.

**Premier Douglas:** — On a question of privilege, Mr. Speaker. . .

**Mr. Danielson:** — Exactly the same thing.

**Mr. Speaker:** — Order!

**Premier Douglas:** — Mr. Speaker, from what is the hon. gentleman quoting when he quotes me as saying that I hope he would give the same consideration to Saskatchewan as he gave in Hazel Hurricane. Will he tell what he is quoting from when he says that?

**Mr. Danielson:** — Yes.

**Premier Douglas:** — What date, what press? Come on.

**Mr. Danielson:** — Yes. In an interview with the press on May 9th.

**Premier Douglas:** — What press? What paper does that appear in?

**Mr. Danielson:** — The Regina ‘Leader-Post’. Right in the. . .

**Premier Douglas:** — I want to state, categorically, that I have never at any time suggested that Saskatchewan should get paid on the basis of Hurricane Hazel, which was a flood in the city. My request in all public statements and in my letters to the Prime Minister were based on compare both conditions to Saskatchewan, namely, the floods in the Fraser River Valley and the Red River Valley; and I doubt very much if there is any such press statement as my hon. friend is quoting from, and if there is, I can assure him it is quite inaccurate.

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**Mr. Danielson:** — We'll get it for you.

**Premier Douglas:** — Well, on the question of privilege, whether my hon. friend gets it for me or not, I am making the statement here that no such statement was ever made by me to the press.

**Mr. Danielson:** — You dent that statement? You deny that you ever said that?

**Premier Douglas:** — About Hurricane Hazel — absolutely.

**Mr. Danielson:** — All right. Now then, I want to say this, in answer to the Premier, that Hurricane Hazel and these two disasters that hit Quebec and the Fraser and the Red River in Manitoba, they are exactly the same as Hurricane Hazel.

**Some Government Member:** — Oh — oh!

**Mr. Danielson:** — I say that again, and I repeat it.

**Hon. Mr. Nollet:** — You go out and tell the people that!

**Mr. Speaker:** — Order!

**Mr. Danielson:** — I am speaking now. They are exactly the same as Hurricane Hazel, but as to the damage or losses suffered by the individuals, Mr. Speaker; then the Dominion Government goes in and pays 75 per cent of building dikes and protection against future flooding, and that was on navigable rivers, not on any flat land in the province of Saskatchewan, so this argument is absolute nonsense. He thought he had something there, but he didn't get away with it.

**Hon. Mr. J.T. Douglas:** — You will have to speak to the people in northeastern Saskatchewan, and see about that.

**Mr. Danielson:** — No, he didn't get away with it at all. I have had to spend the last ten minutes showing him that there is no connection between damages paid to the public and the money spent by the Dominion Government to put up dikes and protection to protect the people of those localities against future damage from floods. But he is tying the two together and trying to confuse the issue, but that is a common practice for them, but they are not getting away with it with me.

So I say to him that he has no grounds at all; there is no discrimination, there is no mis-application or any intention, or no sign in any shape or form that the Dominion Government has treated Saskatchewan and Manitoba any different from what they have done any other place where similar occurrences have taken place. And what about Mr. Campbell of Manitoba?

“The Federal Government's proposal, said Mr. Campbell, to provide an estimated \$300,000 for Manitoba and Saskatchewan flood victims was generally acceptable.”

That is what he said. Of course we shouldn't expect the impossible, Mr. Speaker, or expect anyone who is connected with the C.C.F. in Saskatchewan admitted that anything that the Dominion Government ever does, or ever will do, will be acceptable to this Government. It is just an impossibility and we shouldn't expect it, because it is just a waste of time to try to convince them; because there isn't a solitary thing, Mr. Speaker -whether it is flood relief, road grid system, hospitalization, grants from the Dominion Government, subsidy or otherwise, without it has been made a political football by this Government. There is not a thing but what has been made a political football. And from what I have said, Mr. Speaker, I don't think I need to tell you that I am not going to support the budget.

**Mr. Cameron:** — Here is your clipping, Herman.

**Mr. Danielson:** — Yes, Mr. Speaker:

“Mr. Douglas said he hoped Prime Minister St. Laurent will take the same attitude toward the emergency situation created by the extensive flooding in this province that he took in Hurricane Hazel in Ontario.”

**Mr. Kramer:** — Go on; keep on.

**Mr. Danielson:** — Yes, yes, -

“And Hurricane Hazel, the Prime Minister is reported as saying that it is the Government. . .”

**Premier Douglas:** — Go ahead; it's out now.

**Mr. Danielson:** — I am going to read it to you, don't get excited. Here it is:

“It is the government's policy to treat every part of Canada the same when disaster falls in certain areas.”

Well that is exactly what he has done. That is exactly what he has done. I have shown you here - in every case, in every solitary case and there are nine of them, Mr. Speaker, and the same treatment has been given to every province and in every case, no matter where it was.

**Premier Douglas:** — I will deal with it.

**Mr. Cameron:** — In your way.

**Premier Douglas:** — I'll straighten it up for you.

**Mr. Danielson:** — Yes, I know what you'll straighten up; you'll distort everything that I have said. He cannot deny that he made that statement to the press, because it is right here.

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**Premier Douglas:** — Mr. Speaker, the hon. member said I cannot deny what?

**Mr. Danielson:** — That you gave this interview to the press.

**Premier Douglas:** — I am not denying that I gave an interview to the press. I am denying, categorically, that I ever said to the press or anyone else that Saskatchewan should be treated on the same basis as Hurricane Hazel. All the correspondence will show, and I would be glad to table with, that we asked to be treated on the same basis as the Red River Valley and the Fraser Valley. What is said here is that the same principle should apply; and when speaking of Hurricane Hazel, the Prime Minister said that every province should be treated the same, and that is all we are asking.

**Mr. Cameron:** — Have you put your bill in yet?

**Mr. Speaker:** — Order!

**Mr. Danielson:** — Well, Mr. Speaker, he got on his feet so I am going to read this thing to him again. . .

**Mr. Speaker:** — Order! Order! If you are reading an article, read it all through, so they can see what it does mean.

**Mr. Danielson:** — I am going to read what the Premier said:

“Douglas said he hoped Prime Minister St. Laurent would take the same attitude towards the emergency situation created by extensive flooding in this province that he took after Hurricane Hazel, in Ontario.”

**Mr. Jas. A. Darling (Minister of Public Works):** — Mr. Speaker, I cannot hope to entertain the members as has the last speaker, and I will not try. I intend, Mr. Speaker, to devote my time to dealing with my departments. Before I do, however, I wish to say to you, Sir, that you have deserved the tributes paid to you.

Yesterday the Minister of Social Welfare (Hon. Mr. Sturdy), and the member for Hanley (Mr. R. A. Walker) expressed very well my own feelings with regard to yourself as Speaker of this Legislature. I think it is unnecessary to repeat, but all of us who know you, Sir, know that even though you may not be a member here, your influence will still be felt in the public affairs of this province.

The Department of Public Works is a department which does not suffer from any excess publicity. It has been for a number of years an extremely busy department, because it had not only to make up a backlog of deferred works which accumulated during the depression and during the war, but had to keep pace with the expanding programmes of government since that time.



That expansion has been very great indeed, with expanding services of the Department of Public Health, of the Department of Social Welfare, of the Department of Natural and Mineral Resources, and the very great expansion at the University of Saskatchewan, just to name a very few activities which have occupied the Government, through the Department of Public Works, during recent years.

The Hon. member from Maple Creek (Mr. Cameron) speaking last week made some mention of our continuing building programme. Now, I don't recall the tenor of his words, but I have some sympathy with his reaction to that programme. A good many times I have myself asked – “Will it ever end?” But it appears that we continue in order to keep pace with the demands which are made upon governments today by the people. One may visit neighbouring provinces, only to learn that they are facing the same situation that we are here, and that they are undertaking and carrying out fast building programmes.

One point I think we can all agree upon is that worthwhile services should not be curtailed for lack of space from which to operate. Perhaps the most rapidly expanding departments are those of Natural and Mineral Resources, an index of the development in these fields. These departments have required greatly increased office space, and I know from questions that have been asked or appeared on the Order Paper, that the hon. members opposite are interested, naturally enough, in the cost of the large new administration building which is close to this building.

As Minister of Public Works, I am very glad indeed that the University Hospital at Saskatoon is completed except for what might be called ‘mopping up’ operations, and I am glad, too, that the Training School for Mental Defectives is so near completion at Moose Jaw. These are two projects which have cost a great deal of money and which have extended over a long period of years. I share the satisfaction expressed by the member for Hanley (Mr. R. A. Walker) that at least we are able to come to grips with the Court House problem in the city of Saskatoon. The fact that the building of a new Court House there has been deferred to this time shows very clearly the urgency of the other essential demands that have been made upon the Government.

All of this building activity has vastly increased responsibilities of the Department of Public Works, not only connected with the construction of those buildings but after they are built, with maintenance and repair, and caretaking. I take pleasure at this time in expressing my appreciation to the members of the staff of the Department of Public Works for the hearty co-operation which they have given in carrying out the work, and I am sure that they have made a good job of giving this province value for the dollars expended.

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Now, with those few words concerning my Department of Public Works, (and I must apologize to that department for giving so little time - much could be said; there is much interesting material that could be spoken of concerning public works), but I think that so far as the general public is concerned, and so far as the members of this House are concerned, they are perhaps primarily interested in the activities of the Power Corporation. Details of Public Works programmes can be brought to light when the estimates of the Department are before the House.

I want to turn immediately to the Saskatchewan Power Corporation. Now, although many factors must go into the organization of a large power utility, none can be more important than these sources of power production. It is in our power plants that all electrical energy originates and unless the utility itself is planning for future needs, literally looking forward far into the future, there can be little hope that the needs of customers in future years will be met. That is why I feel a sense of satisfaction in the work of the Power Corporation. Regardless of the fact the Corporation has been going through one of the greatest periods of expansion in its history; regardless of the fact that it is possibly half-way through the largest farm electrification programme ever undertaken on this continent, it has not neglected to maintain its power production capacity and to keep it up to schedule. There is no danger of power shortage in the province of Saskatchewan, thanks to the planning of the Power Corporation, and the policies which have guided that expansion.

Now, Mr. Speaker, some of the things I have to say have already been said in this Legislature by other speakers. I think, however, that it is worthwhile, at the expense of some repetition, that I attempt to give to the House a consecutive story concerning the operations of that utility.

As we all know, the two largest and obviously most important power plants on the S.P.C. system are located at Estevan and Saskatoon. It was in 1929 that the former Saskatchewan Power Commission purchased the power plant from the city of Saskatoon. That's plants, at 10,000 kilowatt plant, was already old at the time of its sale by the city to the Power Commission. I believe it was one of the terms of the sale by the city that the Power Commission would undertake immediately the construction of a new power plant, and that new power plant, also at 10,000 kilowatt plant, was built adjacent to the old plant, and from that time on, the old plant was simply used as a standby to cover the peak load requirements of the city.

Two years ago, the Power Corporation completed its third major expansion to the Saskatoon station since the war, raising its capacity to 75,000 kilowatts. I might add that at that time no trace of the original plant purchased from the city of Saskatoon remained, except the old building to the front of our property. This has since been demolished, and now a new structure is nearing completion to house a 33,000 kilowatt power production unit which will bring the A. L. Cole Generating Station (which we have now named the Saskatoon Plant) took capacity of 108,000 kilowatts by the end of this year. This latest extension will have cost about \$4,500,000, including the building.

I would like to stress that this is the last extension we can build to that plant, as no further land is available for further expansion.

Most of the members of the House will recall that in May, 1954 we commissioned an extension to the Estevan power plant, and almost immediately continued work to make a still further addition, which we hope will be commissioned in the winter of 1956-57 of an additional 30,000 kilowatts of production capacity. Less than three years ago we had raised the total plant capacity to 42,000 kilowatts, and in 1956 this will be again raised to 72,000 kilowatts of installed capacity.

Again I believe it should be explained that this is, as in the case of the Saskatoon plant, the last addition that can be made to the present Estevan power plant. We are faced with the fact that we have reached the end of our cooling water facilities for the operation of the Estevan plant. Furthermore, it should be recognized that the plant is a little steam pressure plant, and is not as economical as it is now possible to build thermal generating stations; this, in spite of the fact that it is completely new within the last few years. We have continued to expand the plant several times since we purchased it in 1947 from the Dominion Electric Company. It is interesting to note that at the time of purchase, this plant has a capacity of some 7200 kilowatts compared to the 72,000 kilowatts it will have at the end of this year. In other words, we have increased the capacity of that plant 10 times in less than nine years.

Now, I am going on with the generating programme -the programme of expansion of the generating plant throughout the province. During 1955, work was completed on the first phase of a new gas engine plant at Swift Current, designed to utilize lower-cost fuel and ensure continuity of power services in the south-west area of the province. In fact, the new power plant at Swift Current was actually commissioned in September, 1955, a little over one year from the time work commenced. It seems to me that was a very expeditious job of bringing a new plant into being, and those who had the privilege of being present at the official opening last September. I am sure, were impressed by the appearance of that plant, its condition and its obvious efficiency.

The plant building itself was designed for relatively easy expansion. That is the way we do things in the Power Corporation -the way we have to do them, if we are going to keep pace with the demands that are being made upon us. A temporary south wall was built to that plant building, so that it could be removed readily to allow for an increase in the size of that building. We expect by the end of 1956 to have the capacity of that plant raised from 5500 kilowatts to 8500 kilowatts.

I would like to mention that \$450,000 will be spent this year for the purpose of expansion of this particular power plant, but I know that you will also be interested to learn that the installation of additional gas engine generating units is also planned for the years 1957 and 1958 in the Swift Current plant.

During 1955 we also started work on a new gas-diesel plant in Kindersley. I cannot over-emphasize the importance of this new plant, for it

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provides, in conjunction with the plant at Unity, a suitable second alternative source of power for the north-western area of the province, including the city of North Battleford. This city and some of the area involved has for several months, particularly since the closing down of the obsolete steam plant at North Battleford, been dependent to a considerable degree on high-line power from Saskatoon only. It is now possible to feed the city and surrounding area from either Saskatoon or Kindersley.

As I have indicated, the Power Corporation looks to two main generating centres, at Estevan and Saskatoon in the immediate future. It is recognized, however, that there are certain areas in western Saskatchewan where the supply of power can never be completely secure when the pending on generating plants 200 or more miles away. For that reason we are building up enough generating capacity in the immediate area to look after essential loads in emergencies.

A \$1,800,000 extension to the Kindersley plant will commence this spring, with the completion of the work scheduled for late in 1957. This extension will house two large gas-turbine generating units, each with an approximate capacity of 8,000 kilowatts.

Gas turbines are subject to considerable change in capacity, according to weather conditions, but each turbine has a passive the of 10,000 kilowatts at the lowest temperatures we would encounter in Saskatchewan during cold weather peaks, and thus are capable of producing the maximum amount of power when it is most urgently needed.

The installation of these gas-turbine units will mark the first time such generating equipment has been used in Saskatchewan. As a matter of fact, only one other unit of this kind is being used in Canada at the present time. While it is recognized that gas-turbines are not as efficient, in many respects, as gas engines, they do give relatively low-cost power when operated close to gas fields. They have the advantage of producing considerably more electrical power than the largest size gas engine, and they fill the gap that has previously existed between the restricted sizes of gas or diesel engines and the much larger steam plants, while at the same time they do not need cooling water for their operations, which is quite a consideration in that area. In addition, the units take much less space than do the ordinary engines, so that it does not require such a large building.

I have often stated publicly, as have officials of the Power Corporation, that the power demands of the province are causing us to double our power production facilities every four or five years. In other words, where this year we had installed capacity of 160,000 kilowatts, by 1959 we will have to have a capacity of 320,000 kilowatts.

The Corporation has for some time given serious thought to the construction of two new steam or thermal generating plants to be located at Saskatoon and Estevan. As you are aware, an announcement regarding these plants has already been made. I would like to point out that these plants are not going to be constructed to replace existing plants, but to augment them for the next several years.

As I said earlier in this presentation, we are ensuring that Saskatchewan will never, within the lifetime of this generation at least, be faced with a shortage of electric power, barring any unforeseen period of major disaster that may arise, and for which we cannot provide at this time.

It has been decided to build a new thermal plant in the Saskatoon area, and this station will have a total capacity of 240,000 kilowatts. It is estimated that the plant will eventually cost some \$40 million. This is a large sum of money to invest in one plant, but 240,000 kilowatts is in a single plant as compared with what we have now of 160,000 kilowatts in the entire system, in all the plants combined in this province. We plan to spend some \$2,325,000 in 1956 to construct the station building and facilities as the first step in the new northern area power plant.

Both of the new plants at Estevan and Saskatoon will be built in stages. Work at Saskatoon will begin this year, and it is planned that the first section of 66,000 kilowatts of power production capacity will be completed by 1958. Thus, the plants will be built in four sections, with the entire station being completed by 1964.

I know that all members will be interested in the fact that this plant will be an unusual one from the construction viewpoint. Construction of the new plant will see the first time in Canada when a major power generating station has been built on a semi-outdoor pattern. The building itself will be built in an "H" plan with the four boiler units projecting above the roof level of the building. This type of construction permits considerable economy in original cost as well as in space, as the building will be comparatively low and will utilize only a shallow basement. The projection of the boilers above the roof line will permit considerably more space inside the building for such vital equipment as coal pulverizing equipment and pumps, etc. According to advice we have had from consulting engineers, this type of building is considered to be not only the most advanced, but the most practical as well, for modern generating stations.

Just the other day the Corporation placed an order with a Canadian firm for a \$1,500,000 boiler - the largest ever purchased for a power plant in Saskatchewan and the second largest of its kind in Canada. This boiler will be installed in the new Saskatoon plant, and will be matched with the 66,000 kilowatt generator ordered from Switzerland. Some people may wonder why we would place an order for a unit from Switzerland, when our preference to buy British is so well-known. The fact is, however, there are limits beyond which we cannot go in order to buy British, and it may be that British manufacturers require to be shown occasionally that there are limits. But our order placed in Switzerland saves the Corporation \$180,000 on this unit, if my memory is correct, and its efficiency in the opinion of our engineers, is quite equal to the efficiency of the British unit.

With reference to the proposed plant at Estevan, there are a number of matters of which I believe you should be made aware. First, it is highly desirable that we continue our power production operations in the Estevan area as long as possible, mainly due to availability of low-cost fuel in the form of lignite coal. According to surveys made, there are some 13,000 million

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tons of lignite coal described as "mineable probable" located in the southeast corner of the province. If this, some 3,000 million tons are within a few miles of the power plant site east of Estevan.

Back, Mr. Speaker, is enough coal not only to run the Estevan plant, as it is now, but there is enough coal in the southeastern areas of the province to economically generate electricity on a scale greater than today's entire provincial needs for several thousand years. I mention this to point out the vast resources that exist in that part of the province for low-cost power production, and it may surprise some members of the Legislature to learn that using lignite coal, power can be generated as cheaply as water power, or hydro, as it is frequently called.

Furthermore, it is estimated that we can mine coal in the Estevan area for less than \$1.50 per ton, and at that price it represents heat energy for power production at approximately 10 cents per million BTU's. From that, you will realize that lignite coal, under present mining operations, is as cheap, if not slightly cheaper, than natural gas at the wellhead. It is also about one-third the price of bunker oil or Alberta coal, delivered to Regina.

During the past year we have employed consultants to determine the precise location of suitable coal, and they have proved up 100 million tons of coal within three miles of the site of the proposed new power plant. This is enough coal for more than 50 years' operations, almost at the doorstep of the plant.

I believe I have been able to point out to you the importance of power production existing in the Estevan area, and if the quantity of this great lignite coal resource is in itself not sufficiently convincing, I will go on to give you further information which should be very conclusive to everyone.

If the coal at Estevan were to be conveyed to another location in southern Saskatchewan where cooling water is available in quantities needed for power production, as we plan it, the cost would be at least \$2.50 per ton for freight only. This is the Power Corporation's estimate of the price we could get for freight haulage if we were calling up to 1 million tons a year, and is certainly better than any existing freight rate. Now, if we were to plan to haul, to say 100 million tons, which is the estimated supply to run such a power plant for the next 50 years, this item alone would cost some \$250 million. This actually means that if we were to build a plant at any other point in southern Saskatchewan where cooling water is available, we could have to spend \$250 million extra during the 50 year estimated life of the plant, over and above what the cost would actually be if the plant were located at Estevan. If I recall correctly, the Hon. J. G. Gardiner named the figure of \$250 million as the total capital cost of the South Saskatchewan River dam and all its associated irrigation works. I think I am right in making that statement. Yet, if we are compelled to bring about construction of a power plant such as we visualize anywhere else in southern Saskatchewan where cooling water is available than in the Estevan coalfields, we will have to spend that much additional money during the 50 year life of the plant.

Members of the House will be interested to learn that the province of Manitoba has apparently reached the limits of hydro development for the time being, and at the present time the Hydro Electric Board of that province is building two large steam plants at Brandon in Winnipeg, both of which will burn Estevan lignite coal. Although the cost of hauling coal from Estevan eastward to Winnipeg and Brandon is less on a mileage basis than it would be if moved to western or northern Saskatchewan, the cost per ton is about the same in Brandon as it would be in Regina or Moose Jaw, with Winnipeg paying a per-ton freight cost about equal to that in Saskatchewan if lignite was hauled to Saskatoon.

Thus, it can readily be seen that the Manitoba authorities are faced with a serious cost factor for future years in establishing these steam plants and it is obvious that power production costs in Manitoba will rise as a result.

From all of this you will readily agree that the sensible thing is for us to build our power plant in the Estevan district, but I would like also to point out that there are other difficulties standing in the way of these plans at the present time.

Some months ago, we applied to the International Joint Commission for permission to build a dam at Long Creek near Estevan. Such a dam is necessary to back up sufficient waters to serve as cooling water for a plant of the size we have proposed. The International Joint Commission has met several times and has already discussed the possibility of such a dam. Because of the urgency of the situation, and so that initial construction of the first stage can begin in 1957, we are hopeful that a favourable decision will be made at the Washington meeting of the Commission, which is being held in April.

The station itself is now being designed, and tenders have been called for the initial generators and allied equipment. No significant work at the site has been undertaken, nor will it be until after the April meeting of the International Joint Commission. If for some reason our request should be turned down and we are forced into a position where we would have to shift to another location, it would be at the cost of a large portion of the \$250 million in freight charges that would accrue if we moved out of the Estevan area.

Now, I have tried to give you a picture, Mr. Speaker, of the Power production situation as it exists at the present time.

The next important and logical subject to deal with in connection with power development is transmission. One of the most important tasks facing the Power Corporation is the building of an interconnected grid system covering the province, that will provide for the full integration of existing and future power production centres. Such a grid network has been virtually completed in the northern part of the province with the linking together of the Saskatoon-Prince Albert-Kindersley and Unity Power production plants.

Plans are being projected in the southern part of the province, and as many of you will recall, we completed a 72,000 volt line from Estevan to Yorkton via Red Jacket last year to give two main power lines feeding the eastern side of the province.

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Prior to that time we had completed a high voltage line from Estevan to Weyburn, and this was continued last year to Assiniboia, so as to take Estevan power across the southernmost part of the province, and just north of the American border. With future extensions to the Swift Current plant, this will provide two alternative sources of power for a large segment of the southwestern part of the province.

Last year we also began construction on our largest high tension line to date, from Weyburn to Regina. This line, connecting to the Estevan power plant, was built to operate at 144,000 volts and will be initially energized when completed, at 72,000 volts.

The second 144,000 volt line will be built this year from Saskatoon to Hawarden, and will form part of the Saskatoon to Moose Jaw interconnection in future years, for purposes of integrating power production centres. At the present time it is required as far as Hawarden to relieve the overloaded lines feeding into that area, and to ensure the supply of power for the P.F.R.A. comes near Elbow, which maintained the level of water in Buffalo Pound Lake.

Furthermore expenditures will be made for the construction of a 72,000 volt line from Swift Current Shaunavon to relieve the overloaded lines in that area due to a very large increase in oil field electrification. It will also allow the diesel plant at Shaunavon to be shut down and thus will serve to reduce high generating costs in that area.

The last section of the 72,000 volt line from Glaslyn to Meadow Lake will be constructed this year to finish the construction work that began in 1955 on a line from North Battleford to Meadow Lake. The completion of this line will also allow the Meadow Lake diesel plant to be shut down and will also serve to reduce generating costs in that corner of the province. It will be very interesting to all residents there to note that this new line will permit the extension of farm electrification in the Meadow Lake area.

The first section of the proposed high-voltage transmission line network in the Regina vicinity will be constructed during the year in the areas east and west of the city. This network, which will serve several new industries located in this area will initially be energized at 72,000 volts and will draw power from the Estevan-Weyburn-Regina transmission line.

Servicing this great mileage of power line is a considerable undertaking. Speedy location of trouble spots and prompt repair is essential to good service. I know it will be of interest to all members of the House to note that we are continuing our work in providing a short-wave radio communication system for the Corporation in various parts of the province. This work has been underway for some time, and we have actually been using short-wave radio in connection with our gas system in the Saskatoon area. This year we are spending \$60,000 to continue the programme of installing mobile radio equipment in the Superintendents' and District Operators' trucks. The installation of these mobile units will result in a considerable saving in operating time, and will certainly mean better service in every way to our customers throughout the province.

**Mr. G. H. Danielson (Arm River):** — Who is reading his speech now?



**Hon. Mr. Darling:** — Generally, in the utility industry, we refer to distribution systems as the portion of our system lying within organized communities from which we directly serve our customers. Thus, for this purpose we are spending about \$3,400,000 in 1956 to cover expenditures mostly in towns and villages. It is interesting to note that some \$600,000 will be spent this year of that \$3,400,000 to provide service to almost all remaining towns and villages in the province which are not already served by transmission lines. This completes in 1956 a promise we made a few years ago that this programme would be carried out by the end of 1957.

I would also like to point out another expenditure of considerable importance, and that is an item of \$426,000 designed for the rebuilding and improvement of community distribution systems in various parts of Saskatchewan. We have realized that most of the emphasis during these past few years has been toward the provision of power for new areas of the province, but we have not ignored the fact that at many points in the province, distribution systems are now beginning to grow old. Year by year we have continued our practice of system improvement to keep the older sections of our system in a state of reasonably good operating condition. It is my belief that in succeeding years this portion of our budget will see regular increases.

Mr. Speaker, might I suggest we adjourn as it is 5:30 o'clock p.m.

**Mr. Speaker:** — I wish to advise the House will recess until 7:30 p.m. o'clock.

**Hon. Mr. Darling:** — Mr. Speaker, this afternoon I had said a few words regarding the Department of Public Works, and I had gone on to discuss the Power Corporation activities and programmes with respect to generation, transmission and distribution, and some other features.

I come now to the farm electrification programme, which is of the greatest interest to a great number of people who are content to allow the other features of the corporation's activities to remain in the care of those in charge. Farm electrification, however, touches a great many people, makes such a tremendous change in living conditions on the farm, that it is not surprising that the terms and conditions under which farm electrification is provided are of interest to the farmers of the province. Now, it is a matter of pride to most people in Saskatchewan that since 1949 we have been able to take our service to 32,500 farms, and by the end of 1956, more than 40,000 farms will be receiving power. When it is considered that all this has been accomplished in seven years, we can well understand why the Saskatchewan farm electrification programme of the Saskatchewan Power Corporation is recognized throughout Canada, and in many States of the Union as being the greatest ever instituted by any single utility on the North American continent.

The province of Manitoba electrified some 42,000 farms from 1946 to 1954 in an area approximately one-third the size of the Saskatchewan area. This total of 42,000 farms completed the electrifiable farms in that province. Here in Saskatchewan we have actually completed almost as many farms in less time, while building nearly twice as much transmission line to do the job because of the geographical differences between the two provinces.

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We have been criticized for not having instituted a farm electrification programme prior to 1949. I would like to point out to the members that there was an excellent reason for this. It was necessary for the C.C.F. Government to spend the first four years in office carrying on the very heavy task of consolidating numerous and uneconomical small power production plants, and by providing transmission line service so that farm electrification programmes could be economically undertaken.

In 1949, the policy of the Power Corporation with respect to farm electrification was determined upon. This policy required the payment by the farmer, in cash, of a part of the capital cost of the farm line from its point of connection to the high-line.

In practice, this plan worked out satisfactorily, and has suited Saskatchewan conditions. The sharing of the capital cost has enabled the system to avoid losses on the farm service, while charging energy rates which, though not quite so low as those in areas of greater farm density and cheaper generation, are yet low enough to be within the economic reach of the farmer.

As the programme progressed, however, particularly after we had adopted the area coverage system, as distinct from the mileage gauges upon which we started, it became apparent that there was need of limited provision of credit to some farmers in most projects. Under our policy we require to sign up approximately 65 per cent of the farmers in any designated area, two or three or four or five farmers were unable to put up the necessary cash deposit. Therefore, rather than permit the whole area to be denied electrical service, the credit was extended to those few, and that credit was limited, initially, to one-third cash with the balance payable over a term of three years, with interest at 5 per cent. This provision of limited credit proved of immense value in facilitating the sign-up of the majority of areas.

**Mr. Danielson:** — Mr. Speaker, the hon. gentleman is reading his speech.

**Mr. Speaker:** — Order! Order! The hon. member is dealing with a lot of statistics; and he is dealing with a lot of statistics with his own department; he is going to be particular. That is a little different to someone who reads his speech where it is quite evident that he did not prepare it himself.

**Mr. Danielson:** — Oh, let him go on.

**Premier Douglas:** — Mr. Speaker, on a point of order, the hon. member is an old member of this House and ought to be familiar with the rules if he ever reads them. If he will take the trouble to look up the rules he will find that the reference to reading speeches has to do with ordinary debate, but any Minister making a statement regarding his department, or any change in policy of his department, is permitted to read that statement.

**Mr. Danielson:** — The hon. members over there must all be Ministers then, because they all read their speeches.

**Premier Douglas:** — At least they have something to read; it been written by themselves.

**Hon. Mr. Darling:** — As I was saying, Mr. Speaker, later this policy was further modified to meet the changing conditions and changing areas which were coming within the scope of our programme. It was modified to allow the one-third principle to apply on a province-wide basis instead of an area basis, without any increase in the total amount of credit granted, it was possible under this modification to permit a greater number than one-third of the farmers in any project to have the benefit of credit. It was found that in some areas of the province little or no credit was needed, while in others more than one-third required that assistance.

It should be recognized, Mr. Speaker, that rural electrification becomes more difficult as it grows larger, and unfortunately, under current farm income conditions, considerable extra difficulties are now being encountered which accurately reflect the serious falling-off of farm income throughout the province. I think anyone who is familiar with the situation as it exists throughout the province today will realize that farmers who, several years ago would have found it entirely impossible to take power installation on the terms which we were providing at that time, would still find it difficult today. Notwithstanding this fact, we are still planning to electrify 7,500 farms in 1956 which we had planned on previously, which will bring the total up to 40,000.

Now, the Government has felt for some time that it would have to give consideration to some policy whereby a greater measure of assistance can be given to farmers wishing electrification this year, and who may be prevented from doing so, due to a shortage of ready money. For this reason, a further modification of policy is intended. This will be the third modification in our programme since we started. We will establish this year, a more extended credit policy covering up to 75 per cent of the farmer's share of construction costs, and to a still greater percentage of farmers. Under this plan, we intend to spread loans over a six-year period as an aid to farmers who are short of ready cash. We will, Mr. Speaker, also re-finance outstanding loans on the new basis in order to assist farmers who have met with financial difficulties. I feel sure, Mr. Speaker, that this modification of our policy which constitutes no departure in principle from the policy with which we started, will be welcomed by the farmers, who has been looking forward, some of them for years, to the time when they could be included in a farm electrification programme; and that they will realize that the temporary difficulties they are experiencing now may not defer the time when they can have the benefits of farm electrification.

The Government, of course, has never believed that the farm electrification scheme as originally announced, would carry us through to the completion of all farms that can be electrified. In fact, I remember very well members - or directors forecasting that we would have to modify or change our policy after we had 25,000 farms connected; some thought we could go a little further than that. But all were agreed that we could not cover the province on the basis from which we started. I remember indicating in the House here in 1952 that this would probably come about. Possibly it has been precipitated sooner than might otherwise have been the case, by the drop in farm income which has been so sudden and so drastic.

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Now, there are two reasons why we cannot proceed on the former basis even had conditions remained more favourable than they are now. First, we are now approaching areas of less economic stability where the ability of the farmer to pay for electric power is less adequate than in other areas that have been electrified up to this time. The second reason is the drop in farm income.

Mr. Speaker, I am still of the opinion that a contribution by the farmer towards construction costs is a good feature of our policy. Were power lines built to the farm yard without any initial cash outlay by the farmer, as the Opposition proposes, the result would be that many hundreds of miles of line would be built to bring power to farmsteads where no adequate use would be made of the service. There are, for example, in this province an estimated 25,000 farm units upon which the farmer resides only part of the time. Service to farms, particularly in the second category, would very definitely be applied for, were it not for the deterrent of a cash contribution towards construction costs.

My friends across the way are constantly referring to Manitoba. In fact, it seems to me we have reached a point where it is becoming ridiculous, where we compare everything in Saskatchewan with Alberta to the west, and Manitoba to the east, to our own dis-favour. It seems to me we are carrying that a bit too far, and we might once in a while look at those things which we have in Saskatchewan which are superior to anything they have in Alberta or Manitoba.

The Manitoba experience, Mr. Speaker, is that hundreds of farms are now being disconnected. This is a fact - hundreds of farms, and there are more farms being disconnected in Manitoba now than are being connected.

**Some Government Member:** — Put that in your pipe and smoke it!

**Hon. Mr. Darling:** — But, of course that's an unfair statement unless I accompany it with a statement that Manitoba is now just connecting farms in the hundreds, not the thousands as we are doing here in Saskatchewan. I feel that the need for disconnection (there always will be some) can be held to a minimum, with beneficial results all around, by our policy. The Corporation is a little disappointed at the extent that the farmers are making use of the power which has been provided to them for productive purposes. Perhaps we are unduly disappointed in that respect. Down in the United States, the Federal Government advances money (and I'm speaking on information which came to me several years ago), but I am referring to the time the Federal Government advance monies to the Rural Electrification Associations without the necessity on the part of those Associations paying anything on principle or interest for a period of five years, to enable farmers to acquire the necessary appliances so that they could become profitable customers of the utility.

Here the growth of the average farm consumption of kilowatt hours is not as fast as we would like to see it, and the Corporation is investing means whereby the use of electrical power for productive purposes on the farm can be increased and the sale of appliances and equipment can be accelerated. Part of the reason for this is that the kind of equipment I have reference to is not on display and is not being pushed by suppliers in Saskatchewan. In many cases farmers are not aware of the variety of uses to which they could

put the power. In the meantime, the Corporation is continuing its policy of assisting dealers and distributors through advertising and promotion.

Now, Mr. Speaker, there is one other feature of the Power Corporation electrical utility that I would like simply to touch on. It is said that when the Saskatchewan Power Commission (the predecessor of the Corporation) was established in 1929, three people sat down in our offices at 1739 Cornwall Street in Regina to put in motion the wheels of the newly inaugurated provincial power system. Three people! Today, 27 years later, the same building is still in use, and some 300 people have until very recently utilized its limited space as the Head Office of the Saskatchewan Power Corporation. Needless to say, this overcrowding has reached the breaking point, and it has been necessary for the Corporation to read some 16,000 square feet of office space in downtown Regina, on the third and fourth floors of the Trading Company Building. I may be mistaken, but it seems to me that it is the original Co-operative Elevator Company Building. In this additional space is accommodated Power Production and Engineering Divisions. Even after these moves, the remaining departments at the Cornwall Street building have only slightly improved their space requirements. The unfortunate part of it all is that within two years the situation will be just as bad again, to the tremendous expansion which the Corporation is experiencing.

Studies are at present under way to estimate the total staff and space requirements for the next 10 years and more, and it is anticipated that a suitable new building has become not only desirable but absolutely necessary. Such a building will have to be completed within three years, in order to meet the requirements of the Corporation. What type of building it will be, and where it will be located are factors which still must be decided. It is possible that a decision will be made during the year as to the type and size, but the building is certainly going to be required.

In addition to this Head Office building in Regina, plans are under way for this building of other office buildings, which will of course not approximate the size of the Regina building, in Prince Albert, Saskatoon, Yorkton, North Battleford and Swift Current.

Now, Mr. Speaker, that is all I was going to say regarding the electrical branch of the Power Corporation. I know that there has been a great interest shown in our natural gas development, and I propose to spend some time dealing with that branch of the Corporation.

At the end of 1955, our natural gas system in the northern part of the province was serving a total of 13,064 customers. This represents an increase of 38.5 per cent over the number of customers served in 1954. In the city of Saskatoon alone, gas customers increased in 1955 some 27.6 per cent over the number of customers on the gas system in that city in the previous year. Mr. Speaker, it should reassure those who question the advantages and savings from the natural gas system that a 27 per cent increase occurred in the city of Saskatoon where it can be safely assumed that each one of those new customers had an opportunity to know the behaviour of the gas service in the homes of friends and neighbours. As a matter of fact, every community served with gas on the northern system showed a substantial percentage increase over the previous year's operations.

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Members of the House will be interested to learn that gas purchases by the Corporation in 1955 amounted to over 4 billion cubic feet, an increase of 1.2 per cent over that 1954 purchases.

I would like to draw the attention of all members to another important fact in relation to operations of the Power Corporation during 1955. The net income arising from all operations of the Corporation throughout the province in the last year amounted to \$1,620,000 or about 1.8 per cent. That's, of course, is known to all members, because they have in their hands the annual report. This represents 1.8 per cent of the total investment at the year end. Now, it has been said that the Corporation is making exorbitant profits from the sale of natural gas. Of the total surplus occurring from our operations, the net income arising from the distribution of natural gas is close to \$500,000. When taken alone, this net income from the sale of natural gas represents only 3 per cent of the investment in gas operations being maintained by the Corporation at the end of 1955.

Now, I am sure, Mr. Speaker, no one is going to suggest that 3 per cent surplus on a very heavy capital investment is exorbitant. It is obvious that at the moment we are in a favourable position regarding operating costs, as we are operating a new, highly efficient natural gas system. For that reason we can expect that maintenance expenses are going to be somewhat below normal for the time being. From these figures we can gain reasonable assurance that the rates we have set for gas are adequate, and we see no prospect of any circumstances that would cause us to consider increasing them. The fact that the net income from all the operations of the Corporation is only 1.8 per cent of the total investment shows very clearly that the operations of the utility are being maintained for customers on the 'service at cost' principle. All residents of Saskatchewan may accepted as a fact that there is every reasonable prospect of rate reductions in store when the gas system has become established in the province and the Corporation has gained greater experience of its financial behaviour. In the meantime, in my opinion, the residents of those communities which are now using natural gas are the fortunate ones in Saskatchewan, in that they are benefiting substantially from its economies, and have not been called upon to make any financial contribution to the system except for appliances within their own premises.

The Corporation has under study the pattern of the gas rates now in operation, and it is hoped that it will be possible to modify them to delay the operation of the rising feature. Now, that term 'rising' is a little bit if a call to describe, but I think most people are aware that rates are reduced one block following another, until 15,000 MCF have been consumed, and then the price rises, I think, to 75 cents from 60 cents. Experience has shown that perhaps that rise comes to early in the domestic rate structure, and has the effect of limiting consumption of the gas in the average home, which was not intended. Now that change has not been determined upon, but it is under consideration.

There has been a great deal of interest in the efforts of the Trans-Canada Pipeline people to clear the decks for the building of a transmission line from Alberta down to eastern Canada, passing through the provinces of Saskatchewan and Manitoba. We've had long negotiations with the Trans-Canada Pipeline people. As yet there is no definite assurance that Trans-Canada will build its pipeline across Saskatchewan during 1956. Like yourselves, the Corporation

has read optimistic reports in the press, but to date we have seen nothing in the way of evidence that construction will in fact begin this year.

The progress being made, meanwhile, in locating natural gas in the province of Saskatchewan, is indeed encouraging, and we expect to find further gas reserves both in the southwest where significant reserves are already known, and in the southeast which is at present principally an oil area, in the not too distant future. Either area alone, or both, might in due course supply the needs of southern Saskatchewan. The Corporation has already negotiated an option to buy natural gas from the Hatton-Many Islands field which straddles the Alberta border, and has arrangements already completed for the purchase of natural gas from the Success field northwest of Swift Current to supply Swift Current and the power plant at that point. These two sources are adequate to supply the southern cities. It is our desire to utilize to the full all Saskatchewan natural gas that can be economically delivered to market.

During the past couple of years we have heard a great deal about the Trans-Canada Pipeline, and when the early optimism began to fade (there were strong hopes a couple of years ago that the line would go through very soon), the Power Corporation undertook to examine the engineering and economic possibilities related to the building of a pipeline of its own, suitable to serve the main southern Saskatchewan communities.

This investigation produced a number of interesting facts. First, we found that it was indeed economically possible for us to build a pipeline from Hatton, which would be connected with the Success field near Swift Current, to Moose Jaw and Regina, as an initial step in building a Corporation-owned southern system. Not only was it feasible, Mr. Speaker, but it has been shown to be, over a period of years, a means of bringing gas to Moose Jaw and Regina at a price somewhat cheaper than that hitherto offered by Trans Canada. Needless to say, this possibility has proved to be an important and valuable point in our negotiations with the Company.

Trans-Canada Pipelines, correctly, we have quoted us various prices according to the size of our peak load our maximum daily demand compared with our average daily requirement over the year. If we fed Regina and Moose Jaw from Trans-Canada at their natural load factor, the rate would be about 28.5 cents per MCF initially at the pipeline (not at the city gates); but if we could even out their requirements to a 100 per cent load factor, that is, take the same amount of gas each day throughout the year (a situation of course, which would never naturally arise in our climate) the price would drop to 20.5 cents. The difference of about 8 cents, if we could save it, would give a total saving of  $\frac{3}{4}$  million dollars per year in a few years' time, and would continue in the future to make those savings.

Savings of that kind are worth some expenditure in order to secure. How can this be done? The secret is very simple. We must store gas in the summer and take it out of storage in the winter to supply the peak loads. Store gas in the summer, taking it from Trans-Canada or from any other source, and use it in the winter; continue to take it from Trans-Canada through the cold weather. Now, to store enough gas to provide say half Regina's and Moose Jaw's winter load sounds absurd, but in practice it presents no difficulty.

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We just pump it back into the ground into a gas field from which a reasonable amount of gas has already been used and which therefore has space to store some extra gas.

While the daily press has been attacking the government's gas policies, the Corporation's engineers have been busy making thorough studies of all the factors involved in this storage proposition.

Trans-Canada Pipelines have confirmed our assumptions as to rates and savings to be made by storage;

The well-known consulting firm of DeGollyer-McNaughton has been employed to investigate the suitability of a particular field for storage;

Fish Engineering Services have, as our consultants, checked all our calculations and assumptions and found them good.

Finally, I am glad to say the Government has approved the recommendation of the Board of Directors to proceed with this scheme. The scheme is as follows: to build this year a pipe line from Swift Current district to Moose Jaw; to construct a distribution system in the city of Moose Jaw; to supply Swift Current and Moose Jaw this year with gas from the Success gas field. The load of these two cities will prepare the gas field (which as a gas resource is quite small) for use as storage in subsequent years. Next year we will extend the pipe line to Regina, if Regina has come to a decision by that time.

For the gas supply in 1957 we expect to have two alternatives available - either we can build a line from Hatton to Success and bring gas through our own pipe line, taking advantage of the storage field to economize in pipe size and gathering system costs, or alternatively, if Trans-Canada is available we can buy gas at 100 per cent load factor; take it into storage in the summer, and use it for what is generally known as 'peak shaving' in the winter. As a matter of fact, at the present time our engineers favour making both arrangements, and gaining the great advantage of security through the two sources of supply. (That is, of course, just in process at present).

I realize that this scheme must sound very complicated, and there are details which I cannot explain in the time at my disposal; however, it is not an untried scheme. Many depleted gas fields are used for storage in the United States. I had the advantage of going down into the United States and there observing gas being stored in a partially depleted field. The economic operation of many a long pipe line is dependent on the storage factor. This scheme is at once recognized as sound like those in the gas industry.

It may seem redundant to build more than 100 miles of pipe line roughly paralleling the Trans-Canada line. That it would parallel Trans-Canada is only coincidence. Had we been able to find a suitable storage field anywhere within say 150 miles of Regina, it would have been economical to build a line to it for use as storage - for example, to Watrous or Assiniboia - but the fact that the storage field is west of us has the added advantage that it makes it possible to bring gas from points further west to the storage field,



to use Saskatchewan gas, without excessive cost.

**Hon. Mr. Brockelbank (Minister of Natural Resources):** — Would it do to go to Davidson

**Mr. R. Walker (Hanley):** — They don't need it up there.

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Darling:** — The fact that the storage field is west of us has the added advantage that it makes it possible to bring gas from points further west to the storage field, to use Saskatchewan gas, without excessive cost.

For the purpose of building a pipe line from Success to Moose Jaw and the distribution system in Moose Jaw it will be necessary to spend \$6 million this year. Next year an extension to Regina, the purchase of the storage field, and Regina distribution system would cost a further \$6 million. The part of this total that is properly chargeable to the 'peak shaving' operation (that is, the pipeline, storage field and compressor stations) will be approximately \$5 million. It will be seen then, that the savings which I mentioned at the start would pay for this scheme in six or seven years.

Some of the advantages we see arising from these proposals are:

1. It will be possible to start supplying gas in the southern part of the province, as far as Moose Jaw, in 1956, irrespective of the fate of Trans-Canada Pipelines.
2. It will be possible to supply Regina in 1957, again irrespective of T.C.F.
3. It will be possible to operate a highly flexible system, buying gas from the cheapest sources in the cheapest manner. For example, we could buy off-peak summer gas from Trans-Canada at still cheaper rates, for storage.
4. It will be possible to supply a greater variety of industrial loads with fewer restrictions as to peak loads than would be possible with Trans-Canada alone.
5. It will be possible to offer a better market to Saskatchewan gas producers and a better supply to Saskatchewan communities.

Now, Mr. Speaker, I have described in some detail the programme which we propose for the southern part of the province. The decision with respect to the southern programme was deferred until it wasn't very comfortable waiting until a decision could be arrived at, but in the meantime we had determined we were going to have a natural gas extension programme this year, and we had made plans for an addition to our northern system. Our northern system is certainly not going to miss out on extensions.

This year we propose two extensions involving new transmission lines; one to the city of North Battleford, and a second to Humboldt. The Battlefords have shown intense interest in receiving natural gas service, and I know that it will be good news to the people there that the benefits of natural

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gas will come to them in 1956. Materials are already on order, and the opening up of the construction season should see great activity in the laying of gas pipe lines in the province.

Another extension which I should mention at this time is one to serve the town of Eston. The member for Elrose (Mr. M. J. Willis) has not allowed me to forget natural gas for Eston during the last couple of years, and it is so close to the supply that it represents no difficulty.

The line to the Battlefords, however, will make natural gas available to Biggar, Perdue and Asquith, and possibly some smaller places. The line to Humboldt will bring natural gas within the orbit of the town of Bruno, and the line to Prince Albert has already made service to the towns of Cudworth and Wakaw a probability in the very near future.

I would like to make it clear, Mr. Speaker, that the Power Corporation is not yet able to say how far it will be physically possible to go with respect to service to these intermediate centres. We are hopeful that some of them can be served, and we will go as far as our budget will permit.

The total natural gas expansion programme will cost approximately \$10 million this year, and the power programme \$17 million, making a total for the Power Corporation of \$27 million in 1956. That, Mr. Speaker, is a very large sum of money. As I said before, there are those who criticize the Power Corporation and the Government because of the surpluses which have been earned by the Corporation. I would hesitate to recommend to the Government the expenditure of such a large sum of money, particularly for the extension of the natural gas system, were it not for the comfortable surplus that has been earned by the system thus far, and as I think I said earlier in this Address, I will not recommend to the Government any reduction in natural gas rates until the extension to other cities has shown that the system can be depended upon to continue to show surpluses which justify reductions.

It requires little imagination, Mr. Speaker, to conceive the outcry which would be heard if a Government agency such as the Power Corporation induced people to install gas by offering low rates, and then proceeded immediately to have to raise them, in order to recover deficits.

Surely, Mr. Speaker, nothing could be more illogical than the criticisms of the Power Corporation's surpluses in the electrical utility. The surplus in 1955 of slightly over one million dollars is condemned as being "too high" and our rates as being "exorbitant." What are the facts? The Corporation has striven unremittingly for years to reduce the costs of the service, mainly by the building of efficient generating stations and the closing of obsolete, high-cost diesel plants. The increase in Corporation surpluses is the evidence that these efforts have met with success, and the surpluses have not been retained for purposes other than the purposes of the Power Corporation.

Nor have the surpluses all been employed for capital purposes. On five occasions since 1944, the surpluses have been used to affect reductions in rates, and the customers of the Power Corporation will welcome increased surpluses,

knowing as they do from experience, that these surpluses represent reductions in the cost of the service, and will be reflected in the future as they have in the past, and lower rates for electrical energy to them.

The last rate reduction which was put into effect at the beginning of this year was more than a reduction - it was also a consolidation and equalization of urban residential rates which have been, to some extent, out of line because of the rate structures inherited by the Power Corporation from the private utilities taken over in 1946 and 1947. These rates taken over were naturally enough, based on the generation costs in the areas to which they applied, and therefore were not consistent with Power Corporation system costs. We have been looking forward for some time to the occasion when our surplus would be sufficient that we could absorb comfortably the cost of equalizing those rates. This last rate reduction cost the Corporation \$400,000 on the basis of 1955 consumption, and would have been justified on the basis of equalization alone.

The next rates that are being studied are the commercial rates, and it is entirely possible that a reduction in these is in prospect.

Speaking further on surpluses, I would like to hear court to surpluses each year since 1949 and their ratio to the capital investment in terms of percentage. These are as follows, Mr. Speaker:

<u>YEAR</u>	<u>SPC INVESTMENT</u>	<u>NET PROFIT</u>	<u>% RETURN</u>
1949	\$25,350,000	\$281,000	1.11
1950	27,150,000	515,000	1.90
1951	33,650,000	413,000	1.23
1952	37,150,000	622,000	1.67
1953	54,900,000	830,000	1.51
1954	70,800,000	1,187,000	1.68
1955	88,200,000	1,620,000	1.84

Mr. Speaker, the Corporation has been called a monopoly, and of course it is. All power and gas utilities are monopolies in the areas served by them. When a monopoly is publicly owned, however, and responsible to the elected representatives of its customers, not just shareholders, its customers, the evils of monopoly are eliminated, and the advantages of integration, which I hope I have succeeded in portraying, particularly with respect to natural gas, become practical.

‘The Leader-Post’ referred to the Power Corporation as a ‘burgeoning monopoly.’ A fine word – ‘burgeoning’. I, Mr. Speaker, am very proud of the way in which the gas system has ‘burgeoned’ since the first well was brought in at Brock in September, 1953.

**Hon. T. J. Bentley (Minister of Public Health):** — Mr. Speaker, I want to congratulate the speaker who has just taken his seat. I think there was never been a finer or more explicit exposition of the policies, progress and programme of the Power Corporation and its newer accessory, the gas features of the Corporation.

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I want to take this opportunity, too, Mr. Speaker, of congratulating yourself, and my seatmate, your deputy. I regret very much the decision you both have made to retire from active participation in the work of this Legislature after the next election, and I want to assure you that the people that I know who know both you and your deputy have the same high regard for both of you as I have, and I do not think it needs any superlative adjectives for me to explain that feeling.

I also want to congratulate the Treasurer (Hon. Mr. Fines), he is always a source of amazement to me in the clever way he can handle the finances of this province and bring about the results that we all want. I want to congratulate also the Minister of Education (Hon. Mr. Lloyd) and the Minister of Telephones (Hon. Mr. Kuziak) for the very excellent contributions they have made to this debate, and also some of the speakers from the other side, although my congratulations cannot be quite as hearty in that regard, because the content of their speeches would not probably deserve it.

Now I am going to support the Budget, as I suppose Your Honour knows, and the remarks that I plan to make in the course of my address tonight will show why. I propose mostly to deal with matters with regard to the Department of Health, but I will find it necessary to make the odd comment regarding other matters as I go along.

I want to refer to a statement made by hon. member for Arm River (Mr. Danielson) this afternoon when he was speaking. I listened very carefully, I do not think I misunderstood the hon. member when he said that there are available to the province in health grants this year \$3 million. A few days ago, I believe in the course of this. . .

**Mr. Danielson (Arm River):** — Mr. Speaker, I mentioned that additional income might come to this province in. . .

**Hon. Mr. Bentley:** — He made that comment, too, Mr. Speaker.

**Premier Douglas:** — Yes, he said it.

**Mr. Danielson:** — What I said was this, there is almost \$3 million coming to the province in health grants.

**Hon. Mr. Bentley:** — That is what he said. I understood that. Now, Mr. Speaker, I don't know where he gets his information. If the other information that he gave us on other matters is as erroneous as the information on health grants, then it cannot be taken too seriously.

I have here, Mr. Speaker, the official statement of the Federal Government and the grants that are available to us, and the Orders in Council which make them available, and they all come through Orders in Council. Anyone can read them if they want to, there are a number of pages, there are 10 of these grants, and I just totalled them up myself this afternoon to be sure I hadn't been misinformed before, and the amount is \$1,921,000 available to us in these health grants. Now that is a long way, Mr. Speaker, from \$3 million.

I wish it were \$3 million. I have no hesitation in saying I welcome every single dollar we get from the Federal Government in health grants. We needed for the various programmes we are undertaking. We are not insensible to the value of those grants. On the other hand, do not let us exaggerate the generosity of the Federal Government. I will deal with the matter of what we might possibly be expected to receive from them, if and when the new proposals made in January by the Federal Government for the sharing of costs of hospitalization and diagnostic out-patient services, a little later on.

I want now to refer to another comment that the hon. member made, when he was dealing with the medical services available to the people of this province as compared with others, and not only medical services, but total income. If I followed his figures correctly, he made the statement that the amount spent for medical services for mothers' allowance cases was \$19 and something per year. I believe that was the statement that the hon. member made. As a matter of fact the exact amount for the previous year, the last year for which complete report is available, 1954, shows that the cost per capita for the provision of medical services for mothers' allowance cases it's \$20.94, practically \$21. And when we consider. . .

**Premier Douglas:** — Do you have the figures on a family basis?

**Mr. Danielson:** — Mr. Speaker, on a point of privilege, I have the report here, and I said it was \$19.90 under the heading of Mothers' Allowances and Child Welfare.

**Hon. Mr. Bentley:** — Well, I thought I understood him correctly, I knew he said it was \$19.90. I will accept that correction.

**Mr. Speaker:** — Order!

**Mr. Danielson:** — Page 130. . .

**Hon. Mr. Bentley:** — I have accepted the correction, Mr. Speaker, \$19.90, fine. I am telling him the cost in 1954 per capita was \$20.94.

**Mr. Danielson:** — There is very little difference.

**Hon. Mr. Bentley:** — Now the impression that the hon. member left was that this is the amount that the mother of the mothers' allowance case got. As a matter of fact, that \$20.94 per capita cost is the per capita cost of all those receiving mothers' allowance, plus their dependents, and in a family of a mother and four people, it would amount to very close to \$105 per family, rather than \$19.90 that he mentioned. I just want to keep the record straight on some of these matters, because sometimes it is very easy to mislead people if you don't know what you're talking about, or if on the other hand, your intent is to mislead them.

The hon. member said a few minutes ago when he was objecting to the Minister of Public Works (Hon. Mr. Darling) reading his speech, and the Premier corrected him by saying that a Minister had a right to read his speech when he was dealing with very important matters in detail. Then the hon. member for Arm River said that "everybody over there is a Minister."

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On your right, Mr. Speaker. He never spoke truer word, every member over here is a minister of a gospel that the member from Arm River and his colleagues don't understand, "humanity first."

We frequently hear complaints, Mr. Speaker, that we deal with Federal issues. I have mentioned this before, and I am going to mention it again. We intend to deal with Federal issues, because there isn't a policy set by the Government at Ottawa that doesn't have an effect on the provinces and we on this side of the House, I cannot speak for the hon. members opposite, but we on this side of the House have an extremely high regard for the welfare of the people of Saskatchewan, and when Federal policies present problems, or present obstacles to the welfare of the people of this province, we will certainly take cognizance of them, and to deal with them and criticized them to the very best of our ability. I don't know why our friends opposite are continually setting themselves up as interference runners for the Government at Ottawa. They are residents of Saskatchewan. They represent people who live in Saskatchewan, and must make their living here. I would think that they would be ever ready to try and protect the interests of the people of Saskatchewan, rather than protect the policies of their colleagues down at Ottawa. Certainly we will continue to oppose the Federal Government playing politics with such things as grain marketing, health insurance, and the South Saskatchewan River Dam, and things of that nature.

The member for Meadow Lake (Mr. Dunfield) also made a few comments, and one thing he said, and I am glad he said it, as he would have been mad if I had said it. He likened himself to a moron. I draw your attention to the fact that he was the one that said it, not I, Mr. Speaker. He told us in the course of his address that the Liberals never thought of industrialization. He didn't need to tell us that. I have been in the west here since 1907, having, out as a very young man, and know the province as well as my hon. friend from Meadow Lake, and all the things that have happened. One of the reasons why there are so few of the hon. members opposite now is for the very reason that they never thought of industrialization. It wasn't until the people represented on this side of the House, all across this province began to weary of the Liberals never thinking of industrialization, that they finally said, "we will try a party that does have some interest in that, and see what they can do"; and so far they have indicated that they are content with the way we have tried to do the things they wanted done in that field.

He said another thing that rather amazed me. It clearly indicates that he is not aware of all the things that take place even under Liberal policies, governed by the people at Ottawa. He made his statement that under Liberals no one has ever refused the right of private ownership of land. Does the hon. member not to know the policy of the Prairie Farm Rehabilitation people in connection with irrigated land which they own and resell, that they never take a final payment and issue at Title. I think the hon. member had better make himself aware of what does happen in this country, before he starts making comments that are designed to lead the people he spoke to to believe that this Government doesn't believe in private ownership of land, and only those across the way do so.

The hon. member can shake his head, but I can take him to people who are prepared to pay the last payment, but they can't do it.

Now to deal with matters particularly related to my own Department, the Department of Health. I think the House has a right to hear something of our progress, and of our expectations and even possibly some of our dreams.

**Mr. Danielson:** — Dreams are right!

**Hon. Mr. Bentley:** — Mr. Speaker, . . .

**Premier Douglas:** — They are better than nightmares.

**Mr. Speaker:** — Order!

**Hon. Mr. Bentley:** — I don't mind being called a dreamer. I have for years since I became the father of my first child, dreamed of a better country for that child and his children to live in, and I hope I will continue to dream as long as I have anything to dream with, as long as they are practical dreams and are capable of fulfilment by any government that has any desire to bring about those kind of conditions and leave a better world than they found.

I have been through all the pioneering stages; I know as well as the member for Arm River, or anyone that sits opposite, and a whole lot more besides. I do not believe any of them have driven dog teams as many miles over frozen tundra as I have.

**Mr. Danielson:** — What about oxen?

**Hon. Mr. Bentley:** — And, oxen, and many of the other things.

**Premier Douglas:** — And now jackasses!

**Hon. Mr. Bentley:** — Well, I am not driving them, and I am not driving oxen now, but unfortunately it appears that I will never be relieved of the necessity of looking at some of them.

And we do have dreams and our Department of Health. Our whole hope is that we can provide services that are going to eliminate to as great an extent as possible those things in the way of diseases, illness and accident that ravage the human race. Now it is generally traditional I know to regard health service as two major fields. One is in the field of prevention and the next one is in the field of treatment. Prevention, of course, has always been associated with such things as immunization and disposal of waste products, and education for better living conditions and matters of that kind. And treatment, of course, has been confined to the provision of services, medications and so on, which will cure the ravages of disease or injury.

However, we are learning now that there is a third important aspect to the whole field of health. Prevention measures are still basic and the most important division of health services. Next comes the treatment

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of those illnesses that occur regardless of how effective preventative measures might be, they will never be 100 per cent. The third one is extremely important, and that is in the field of restoring those people to health who have been seriously crippled or incapacitated, because of the ravages of disease, that goes much further than the spectacular things we are used to applying penicillin or setting a broken leg, or curing fairly rapidly some disease that has hit. Restoration services have now come to be regarded as one of the very important aspects of any health service. There is a reason for that, Mr. Speaker. It should be fairly obvious that there is little purpose in not trying to bring back to health, to agree at least, those people that many of us know now have been incapacitated for many years, when we know they can be improved.

In the field of prevention I would like to say this also, that it is a much wider field than a good many people have been inclined to regard it. For instance, good immunization, proper sanitation, sewage disposal, pure food and water supplies and education for better living are not enough. Every single aspect of the life of people must be considered. Communities must be diagnosed the same as individuals in order to find what is necessary to be done there in order to introduce every single conceivable preventative measure that can be undertaken. And there doesn't seem to be very much purpose in doing all that unless it is geared with other things that are equally as important when we get into the third phase of health services that I mentioned. For instance, you might, through early case finding and diagnosing communities and people, discover people who have shall we say arthritis, or related illnesses, and they have come from places that breed of that sort of thing. There is not much use in providing restorative services to a person of that kind if as soon as they are restored they must be returned to the same kind of place. As an illustration and an indication of the regard this Government has for people and therefore, it concerns my colleague, the Minister of Social Welfare (Hon. Mr. Sturdy), has instruction from this Government and this side of the House to proceed as rapidly as possible with the provision of nursing homes, housing for the aged, and a variety of programmes to see that the very things I have mentioned do not happen.

This we hope will become a reality. When you take these three great aspects of health services, you cannot divide them and set them up into three different compartments, and say to one group of people you shall do this, and the minute you meet the borderline you stop, and somebody takes over. When they reach that borderline, they stop there. All of these services must be co-ordinated to the place that no matter where the patient or the community starts from it continues right through to the end and the persons interested in the commencement of the treatment for the preventative services are responsible finally for the ultimate treatment, where the people are to get the restoration services they require and go back to the kind of place which as I say, is presently being provided through the good offices of the Minister of Social Welfare.

These are big things; they are expensive. Every one of these services is becoming expensive. In the old days, of course, as you know, the doctor with the buggy or the Ford car, as most of the people in this present generation can remember as far back to, is gone. The whole team is now much greater, and you must have a great many more specialist stations, not only in



Saskatchewan, Mr. Speaker, but all across this continent and, in fact, all across the world, because people are beginning to come alive to the need for these things and hence we are likely to face a shortage of these kind of people. But as they come on the scene we want to utilize their services, and as we start to utilize them, then the services become more expensive.

That should not be anything that we should regard as frightening. It should be obvious to anybody - I think I mentioned it in another debate the other day - that the greatest asset we can have as Canadian people are healthy Canadian people from the cradle to the grave - from even before the cradle and right up to the grave. Certainly if we are going to be the kind of a country we all hope to, where we will look forward to a Canada glorious and free, we must be free not only from the physical enemies that might attack us, but from all the other types of enemies that can attack mankind and one of the worst and greatest and most potent of these is illness, ill health and disease.

And so it should not be beyond the capability of any country, or rather beyond the mental capacity of any country, to visualize and be prepared to make available all the necessary services that are possible to generate within that country and Canada should not hesitate to do all the things that are necessary and can be done with the physical resources and the physical facilities that are available and are only curtailed by the amount of finances available for them. This is what happens in this province. I will mention a little further on where some people regard the amount of money spent in health services - because it is the largest single share of the provincial budget - is something around 26 per cent, I think, this year, and we are often told it is larger than any other province provides, and those who are opposed to this Government, of course, will say it is larger than we can afford. I do not think it is larger than we can afford. It is probably as large as we can afford at the present time, but certainly we could afford to do no less than we are doing, unless we are prepared to face the consequences, which would be a return to not only the old days when we did not have the services, but two worse than those days, because without the services now in an aging population we would face a great deal more difficulty than we had when we were all younger, and just settling this province.

We are trying to co-ordinate - this is one thing the Department is doing with a good deal of success and the fact that we have restoration centres is a clear indication that we have made the third aspect of health services available to a great many people and it is hoped up with the rest of the Department.

To carry out these services, again I would like to point out, the Department has carried out the policy of this Government and the party it represents, and that is to centralize as much as possible all these services that are available, and one of the things that has been done in decentralization is the setting up of the health regions, and in those health regions where you have a local body governing, it is the opinion of this Government that the local body is better able to deal with the aspects of health services that are required in their particular area, rather than have it run by a central head here in Regina.

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So the regions are operating with a good deal - as a matter of fact, with more than two-thirds of their total cost being paid from the provincial treasury, and one-third being paid by the people in the regions themselves. But the administrative work and the policy decisions are carried out by those people. We help them to man their staffs, and when I say "man" I mean both male and female staff. Most of those are, of course, the nurses, the public health nurses who are the key people in the backbone of any programme that we have, but our sanitary officers, our health educators and a medical health officer, who is the key person, provides them in those services basically the preventative services, and then on where they have medical services with the great deal of consultative work in those fields, and for carrying out of a good deal of consultation and assistance in the field of restoration.

So you see there is nothing centralized. The same thing happens in all the fields that we tackle, except in the northern areas where we do own four outpost hospitals - we did own five, but one of those has been taken over by an area - but we do own and operate as a Government four outpost hospitals and I think at this point it would be proper for me to pay tribute to the public health nurses who operate those hospitals. There are no doctors; there is not enough work there to keep a private practitioner going; there is not enough to keep a salaried doctor there and it is doubtful if you could get one to stay there; but these girls take charge of these hospitals and do a tremendous amount of good work in the field of providing all kinds of health services of the three that I mentioned, or seeing that they are made available to the people, if they cannot provide them themselves.

I mentioned the chronic shortage that we have in the field of health people, and in order to overcome that shortage we are making use, as I said before, of the grants that are available from the Federal Government and from funds at our own disposal in endeavouring to train people for the various activities that are required in these fields. Not only to be in the Department, but we train people for hospitals either privately-owned, or community-owned, and we train people to go into the other fields of health services, not directly connected with the Government, but making a contribution to some particular health service in the province.

I want to mention at this point one of the things that we regard as rather important. It has been a controversial matter, but in the field of health you cannot disregard all aspects of health, not only in the three areas that I mentioned, but the various things that can cause ill health to people, or are themselves an unhealthy condition in some particular part of a person, their feet or their teeth. It is teeth I want to speak of mostly now, because we do believe that it is possible to reduce to a very large extent the dental caries that appear in children's teeth to a very large extent and help the child to grow up with good health teeth. One of the things we tried to do in the health regions is to have trained dental hygienists that apply topical fluoride - that is fluorine - to the teeth in the younger children and that has been proven to reduce to a very large extent - we figure about 40 per cent - the incidence of caries in children's teeth.

We recommend very strongly, Mr. Speaker, the fluoridation of communal water supplies. I realize, of course, that that has been controversial. People have talked about putting rat poison in the water and have

made any number of uncomplimentary comments about people that recommend the fluoridation of communal water supplies. I have here a list of universities - 72 universities on the North American continent - all of whom operate preventative medicine departments, public health departments they are called, there they study all aspects of preventative medicine. We asked each one of these universities what their opinion was of the fluoridation of communal water supplies and 66 gave unqualified support for it. Five said they had not made as complete an examination as they would like to have made and therefore did not wish to offer any comment for or against and one was a bit cautious on its comments. That seems to me to be pretty conclusive evidence that we are on the right track when we recommend the fluoridation of communal water supplies.

I have a report here from the 'Health News Letter' of February 15th, which tells of a decision that was made by the Department of National Health and Welfare, when they viewed the results of the Brantford experiment in fluoridation; there is no question of the Department of Health and Welfare of the Federal Government supporting the fluoridation of water supplies. I also have a copy of the 'Winnipeg Free Press' of December 6, 1955 which states that the Manitoba government has finally come out and favoured it too. I just mentioned that in passing, because I am convinced from all the information that I can get that the fluoridation of communal water supplies is a very valuable aid to the reduction of bad health in teeth if communities will undertake it.

I want to mention another aspect of health services which I believe the House should give serious attention to. It is one that we have not had too great success in providing preventative services as a people in this province, and that is in the field of accidents. I know immediately we start to talk about accidents most people's minds jump to the conclusion that these are the accidents caused on the highways by drunken drivers. I am not speaking of those; I am speaking of the kind of accidents that can happen in the home, on the farm, in the workshop and in places of that kind. We do carry on an accident prevention programme designed to alert people to the kind of accidents that have taken place, why they have taken place, and we try to bring to their attention that nearly all the accidents that do take place are preventable, of the kind that I am dealing with here and no doubt highway accidents are in the same place, but I am thinking of these others.

In the year 1955 we had a total of 13,237 accidents. Of these 3,975 occurred to children under 15 years of age. This seems to me to be an absolutely ridiculous situation and something that I believe everybody here should give thought to and should transmit whatever thought they do give it to to people out in the country when they meet them. Of that total of 13,000 odd people who were hurt in accidents, 406 died. Of that 406 who died, 93 were children under 15 years of age. That in itself should be sufficient deterrent to anyone who in any way contributes to accidents. But there is also an economic aspect to it. This actually cost the hospital services plan \$1,358,680 for the hospitalization of those people who suffered in accidents and had to go to hospitals. That is apart, of course, from the loss of those who were killed. It does not take into consideration those accidents which we never heard about because the victims did not appear in hospitals.

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We have also continued to improve the services given to medical care group, that is those who received medical care through public assistance. We find now that we have something around 29,000 approximately on our roll all the time - sometimes greater or smaller - but that is the roll at the last report who received medical, hospital and allied care, dental and chiropodist and optical service which our friends across the way do not seem to regard as highly as they should. Again, our friend from Arm River this afternoon was trying to compare the treatment between the provinces - the treatment these people received in the provinces on each side of us and what they received here. In the first place, not being a patriotic Saskatchewanite, he never bothered to mention that Alberta never introduced their medical care programme until this province took the lead.

**Mr. Danielson:** — What reason have you got to assert that I have not been patriotic? That is starting an argument. What reason has he got to. . .

**Mr. Speaker:** — Order! Don't ask me.

**Mr. Danielson:** — I think he should absolutely withdraw that statement. I came here in 1904 and I have contributed as much as he has to health services in this nation of Canada. I absolutely take objection to this and I asked that he withdraw it.

**Hon. Mr. Bentley:** — Mr. Speaker, I won't make a categorical withdrawal unless you order me to. However, I will go this far, that the way I view of patriot is one who is concerned about the welfare of his own country and his own people and is prepared to regard it as the most important in his mind. To that extent, in my regard, . . .

**Mr. Speaker:** — Order! Order! The hon. member must make that withdrawal because no matter how he thinks, he is entitled to respect.

**Hon. Mr. Bentley:** — By your direction, Mr. Speaker, I will withdraw the statement. I will put it this way. I cannot understand anyone who is a Saskatchewan citizen, who will not give credit for those things that Saskatchewan has done before other places have done them. I will agree with him that there is a greater supplemental allowance paid to the people in Alberta who are in the public assistance group, but I will not agree that they get better medical attention and I will not agree that they are getting as much as they would get under a C.C.F. Government in Saskatchewan if we had a \$168 million budget, rather than an \$87 million budget.

**Mr. Danielson:** — That's your opinion; you're entitled to it.

**Hon. Mr. Bentley:** — And my hon. friend could at least have mentioned that Saskatchewan led the way in these services, but he did not do so, indicating that he would rather belittle the province than give it credit for something it has done.

**Mr. Danielson:** — Mr. Speaker, on a point of order, he attributed something to me that was never mentioned - never mentioned. And besides that, he is a Minister of the Crown - well, let the people judge.

**Mr. Speaker:** — Order!

**Mr. Danielson:** — I am not going to chew any more ft about it, but I have my own opinion and. . .

**Mr. Speaker:** — Order! The hon. member made his speech and in this particular instance he is getting a reply to his speech.

**Mr. Danielson:** — How can he reply to my speech on something that I never said a word about?

**Hon. Mr. Bentley:** — Mr. Speaker, I agree and that is what I have been saying. He did not say anything about this. He never mentioned it – and he was dealing with medical services in Alberta and in Manitoba – and he never mentioned that Saskatchewan led the way. That is what I am criticizing him for. I am not saying he said it; I am saying he did not say it.

**Mr. Danielson:** — I never mentioned medical services in Manitoba and Alberta.

**Mr. Speaker:** — Order! Order! The hon. member should not keep interrupting. If you want to rise on point of order, why rise on a point of order or a point of privilege, but don't argue across the floor.

**Hon. Mr. Bentley:** — Mr. Speaker, I still contend that he made no comment whatsoever on the fact that Saskatchewan led the way in the provision of these services.

**Mr. Danielson:** — That's all right, that's all right. If that's all. . .

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Bentley:** — I would like to mention, Mr. Speaker, that the Saskatchewan Hospital Services Plan has had another successful year.

**Mr. Danielson:** — The people paid for it too.

**Mr. Speaker:** — Order!

**Hon. Mr. Bentley:** — Quite correct, Mr. Speaker, the people paid for it. The people of Saskatchewan have always been prepared to pay for those things that they want and want as badly as they wanted hospitalization.

**Premier Douglas:** — They did not get a chance to pay for them under the Liberals.

**Hon. Mr. Bentley:** — The years that the hon. member from Arm River has spent in Saskatchewan – he should know as well as I do that the people were wanting these services years ago and they did not get them and when they rallied around the party that is represented over here now the people said, “we want you to do it; the others did not do it.” And the people gave us the mandate and have supported us ever since. So I say, that Saskatchewan Hospital Services Plan has completed another very successful year.

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I would like to give the hon. members of the House some information. It is true, Saskatchewan people are getting a larger volume of hospital care than any other province. That is because we have the Saskatchewan Hospital Services Plan. That fact stands out and is now known all across Canada. We have at times been criticized because of what is regarded as unnecessary high cost and what has been referred to as abuse of the service. The cost has gone up, Mr. Speaker, very largely because of the inflation that has taken place since price controls were released. However, there is another justifiable reason for the costs going up - a couple of them that I think the House would be interested in. At one time hospital workers were among the very lowest paid workers and this Government does not regard hospital workers as a lower strata of society. This Government, and the people that support this Government regard hospital workers as people who have a right to the same consideration in their living standards as the rest of society has and so the wages and salaries in hospitals have increased to the point where today hospital workers are on a par with the average income across the province. That is one reason why hospital costs have gone up. And I submit it is a very justifiable reason.

Another reason is that newer and better drugs and newer and better services and newer and better facilities and equipment have been discovered and has been made available to the people of Saskatchewan and the people of Saskatchewan have not complained because of the cost of those. They have apparently been quite happy because of the way they support the hospital plan by the payment of their taxes on time. The percentage of per capita taxes that we collect I think is a clear indication of the regard that the people of Saskatchewan hold the plan in.

However, there was an increase in the volume for some years, as the number of beds increased. And that is another reason why the cost has gone up. At one time we didn't have nearly enough beds to serve an area of this kind so, because of the shortage of beds in the early days of this Government provision was made to assist local hospitals and expansion or new construction. Then the number of beds increased and as they increased they became utilized, which cost money. Then when the Federal grants came into the picture in 1948, which I will refer to later, it was possible to carry on further increases, until now we have practically what is considered the proper number of beds to serve a province of this kind. When you get to that many beds, obviously it costs more money to operate them than when you only had half as many. However, in the last four years we have found that the utilization of hospitals has levelled off, as just slightly over 200 per 1,000 per year, and if you will look at your SHSP Annual Reports you will find it has been about the same for the last four years, so we can assume now we have reached the point where enough hospital beds have been provided and the cost so far as more beds will not go up except as more beds are needed to take care of the increase in the population.

There is another thing that I would like to mention here. We hear about the high cost of hospitalization and there is one reason why that happens, Mr. Speaker. Nobody knows what the cost of hospitalization is in any of the other provinces except British Columbia. Not even in Alberta have they got the full cost. The reason they are known so well in Saskatchewan and British Columbia is because they are all paid from the central fund. We don't

know how much the people of Manitoba pay for hospitalization, or how many people go without it because they are unable to buy it themselves and there is no provision made for them to receive it. The very worst way to pay for hospitalization is to not have it when you require it, because that is paid for in ill health, and the next worst way to have it paid for is by incurring the bill and not being able to pay for it, and having the hospital management or whoever owns it having somehow or other to dig up the deficit incurred because of unpaid bills. Those things don't happen here at the present time, but that is the reason why hospital bills appear to be higher here, when we don't know anything about the size of the bills in the other provinces. However, we do know some things. We do know that the beds available are 22 per cent higher in Saskatchewan than they are in Canada as the Canadian average, and they are 18 per cent higher than they are in Manitoba. These are Federal Government figures, I would like everybody in the House to take cognizance of that. I'm giving them Federal Government figures. They are 4.5 per cent higher than they are in Alberta, again Federal Government figures.

The days of care likely to be provided in Saskatchewan will be 19 per cent higher than the Canadian average. The reason I use the future there is because this is projected by the Federal government in its computation of what is likely to happen when they were making their Federal proposals. It will be 16 per cent higher than Manitoba, and 11 per cent higher than Alberta. But when it comes to costs our per capita costs of hospital services is only nine per cent higher than the Canadian average which when you consider that our available beds are much higher, is I think an indication of the efficiency with which the SHSP is run.

Now just to summarize that statement, I will read this:

“In summary then, we have 22 per cent more beds than Canada as a whole. We are providing 19 per cent more care, and yet our costs are only 9 per cent higher.”

And this would seem to me, as I said, to refute any charges of inefficiency.

I want at this point, Mr. Speaker, to pay tribute to the initiators of the Air Ambulance Service, and that, of course, can only be attributed to the Premiere of this province, who at the time it was instituted with the Minister of Public Health. I want to also pay a tribute not only to him for the service, but to the people he was able to recruit to that service, and whom we have been able to continue in our service in that. Just recently the Air Ambulance carried its seven-thousandth patient. If I remember right, today it will be something over 7,400, but it was just recently that we passed the 7,000 patient mark, and carried everybody from infants to very aged people.

**Hon. Mr. Brockelbank:** — Including “Jimmy” Gardiner!

**Hon. Mr. Bentley:** — Yes, we even carry the Rt. Hon. J. G. Gardiner one time, and I don't know if we saved his life, but he may have been a very much sicker man if he hadn't had the availability of Air Ambulance there. We have carried all kinds of people from the very young and very old; as a matter of fact we have even had one or two births occur in the Air Ambulance,

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so you might say we have even gone back beyond the birth stage to carry patients. I can't say how many lives might have been saved through this service. I don't think anybody would know for sure, but certainly it has given a great sense of security to the people in the outlying places to know that along with, and coupled with, as complementary to the Saskatchewan Hospital Services Plan, and the improving and developing medical services available in this province, that they are not out of distance even though by road it might appear to be very much isolated. The Air Ambulance has done a remarkable job, and I think a great tribute should be paid to the pilots and the nurses, and the ground crew for the record that they have established over the years in carrying over 7,000 patients, without one single fatal accident yet. No patients have been injured even in the one or two accidents that they have had.

Well, Mr. Speaker, we come to a matter now that I think will give everybody some concern who has the welfare of Saskatchewan at heart, and that is in regard to our mental ill health in this province. I know that anyone can go into our mental hospitals and they may find faults, if they are determined to look for faults. However, I would like to say that I am rather proud of the fact, and I think I have a right as a Saskatchewan citizen, not because of anything that I have done, Mr. Speaker, I want that point clear, but as a Saskatchewan citizen, I am rather proud of the fact, in fact very proud of the fact that we are in the forefront of improvement in the treatment and care of mentally ill people. We didn't find the condition any better in Saskatchewan than it has been over the years in other provinces and many States of the Union, when this Government came to office. We found that the facilities that were provided, without blaming anybody, they didn't know any better in the days they were built, but certainly they were ill-conceived to provide the kind of treatment that present day psychiatry understands and knows can be administered for the benefit of mentally ill people. We found that the hospitals were overcrowded because in many cases the mental patients or defectives were mixed up with the psychotics and the mentally ill, and a very determined attack was made on this province. One of the first things that was done was to get the defectives removed from the mental ill people, and to get them housed in quarters by themselves. That was done in temporary quarters, pending the time when permanent quarters could be provided for them.

Another very important thing was undertaken at that time and that was the provision of highly-trained people. These highly trained people from the psychiatrist right across the board to the nurses who care for the patients on the ward were not as well trained as many psychiatrists knew they should have been trained. But all across this country, not only in Saskatchewan, every place across Canada and the United States little attention was given by the local governing bodies to this particular aspect of ill health. This Government tackled that problem by first acquiring the services of some of the most highly regarded psychiatric medical men that were available. Next was instituted a very extensive programme of training psychiatrists with a forward look to the future in the care and treatment of mentally ill people and the training of psychiatric nurses has had an effect on the morale of everybody working in these institutions that have any regard for sick people, so it works its way right down, building up the morale of the people that hoe the potatoes, or look after the flowers, or cut the hair, or upholster the furniture, or look after the power plant, and you will find that the morale



of the people in these places is much better than it used to be, because of all of these new things that have taken place, and Saskatchewan has led the way.

I would like to give an indication here of the difference between this province and some of the others according to some of the newspapers when I get to it. The whole attitude has been changed towards these people, and the result is that now instead of regarding persons afflicted with mental illness as persons who should be taken in and given custodial care behind closed doors, and kept out of sight of the general public, now the whole attitude has changed and the purpose now is to give as intensive treatment as possible, as wide a degree of freedom to the patient as is possible for his own good and the good of the community, and the results are showing up every day in the improved discharge rate of people who have been referred to our care.

This Government knows that the changes that are necessary cannot be done overnight. They cannot be done in just a few years. There are limits to the financial resources that are required, that the Government knows about, and even if we had the money, there are limits to the personnel, to the training of the personnel that are required, the temperament of the people who can work in these places, the kind of people that have the temperament to go into training are not as plentiful maybe yet as they should be until the public becomes aware that this is a disease that shouldn't be thought of except in the same terms as any other disease. That is gradually being overcome. The Government recognizes that you cannot bring these about in no time at all, but the Government has recognized that certain things should be done first, and I have mentioned some of them – the separation of the mental defectives from the psychotics and the mentally ill, the provision of a place for them to live in temporary quarters, the building of a new place in Moose Jaw, which is now occupied by the defectives, by the improvement of the facilities which we did inherit from the previous regime at both North Battleford and at Weyburn, and while those buildings aren't designed to give the treatment, they are what we have, and we are making the best use of them, and changing the design so that it will fit into the new ways of treating mentally ill people. We have instituted programmes of treatment, as I said before, introduced and recruited the kind of people who are experts in this field, to the point now that here psychiatrists can get their full training and certification, and so far as I know it is the only province in Canada where that can take place. There may be one or two others that have come on in the last year or so, but that was certainly the case that while ago.

To give you some idea of the results of the programme in 1944, I am just giving a comparison now of the treatment then and now; in 1944 there were 679 patients admitted to our mental hospitals, of which 419 were discharged. In 1955 there were 1,359 admitted in 1,170 discharged. So the rate of discharge in 1944 was 62 per cent. The rate of discharge in 1955 was 87 per cent. In other words, while our admissions have gone up 100 per cent, our discharges have gone up at the rate of 181 per cent, and that I believe speaks very well for the kind of programme which is developing in this province.

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I mentioned at the start, Mr. Speaker, that prevention was the basic and most important aspect of health services. But in the field of mental illness, it is the same as accident, you cannot immunize people against it, like you can vaccinate them for small-pox and now polio, or immunize them against diphtheria, or tetanus or whooping cough. You cannot immunize children against accidents and the carelessness of their parents and grownups who surround them; neither can you immunize them against mental illness, but you can and we do provide certain preventative features which are designed to result in less and less people having need for mental treatment. And that is because we now have not only the Munroe wing for the early and rapid treatment of highly psychotic persons in the psychiatric wing at the University Hospital, but we now operate from full-time mental-health clinics for out-patient treatment for persons who are referred to those clinics by their family doctor, here in Saskatoon, in Moose Jaw and recently up in the constituency of my hon. seatmate, in the town of Kindersley. So we are doing all those things in the hope that early treatment will prevent the incidence of serious mental illness later on, and by the provision of teacher psychologists and competent people in the field of psychiatry visiting the part-time clinics at the seven other points in the province, and work among teachers dealing with the behaviour problems of children, we hope the results, and have reason to believe the results will be worth the effort in the prevention of serious illness later. We also carry on a great deal of research in the field of psychiatry. At the present time the Federal Government, the Kellogg Foundation, and the province are joined together in a partnership of research at the University of Saskatchewan, under very competent men. That in itself gives a great lift to the morale of people who are engaged in the field of treating mental illness.

In the field of rehabilitation, that is the third aspect of health services I mentioned, when you get beyond the treatment stage, we have developed in this province a number of voluntary agencies, such as the multiple-sclerosis society, the arthritis and rheumatism society, Saskatchewan Council for Crippled Children and Adults, who all deal as voluntary associations with the people who are crippled by some cause or other. This Government has made very substantial grants to some of those organizations in order to assist them to get under way. As they get under way and can get under their own steam, then, of course, grants will not be so necessary, but the Government has been very generous in assisting those societies in getting started and in promoting general interest among the public.

However, that is not enough, and the Government felt that it was necessary to enter the field of restoration or rehabilitative services itself. For some years, ever since this Government has been in office, there has been a Department of Social Welfare and Rehabilitation, and the Department of Health has been charged with the responsibility of the physical and medical restoration of people who have become crippled. At the present time we are looking after about 1,200 patients in the two centres, one here and one in Saskatoon, and we have 150 patients getting continuous care, the balance of them coming in from time to time and getting treatment and reviews and the parents given instruction and information on how to give treatments and exercises in their homes. So that we have now a very extensive rehabilitation service in the field of physical medicine, and we hope, of course, that that

will be extended, which it must be, in the course of time, in order that we might be able to give more and more service to people as they come along, and with an aging society undoubtedly much more of this is going to be required.

In the field of rehabilitation of course, as we develop, we are going to have to go out probably and do quite a bit of case finding, because it is obvious that a good many people regard themselves as hopelessly ill and unable to recover, and they have to be encouraged to believe that by the taking of the kind of treatment that will become available to them that they can again be restored to a very large measure of health. That is one of the things that the Department of Health is giving a great deal of consideration to.

National health grants were mentioned here twice today, once by the hon. member from Arm River and again by myself, and I am going to mention them again. I mentioned we are not in sensible to the value of these grants, but they do offer some problems, for the simple reason that they are all made by Order in Council by the Federal Government. Each grant must be a special Order in Council. We think those grants should be statutory, so we will have assurance of continuity. We are never sure whether they are going to disappear at the end of a certain period, or whether they are going to continue, and because of that no matter how valuable they may be while they are in existence, their disappearance might mean that the disappearance of some particular project or programme which has got under way because the grants were available, and will have to be stopped as I say, because they might suddenly become extinct.

We would like to see these grants given a little quicker approval in some instances, and we wish the Federal Government would give consideration to making grants available for specific projects like hospital construction, even though the projects were started by provincial funds, as they were in this province some years ago before the Federal Government came into that field. This province has suffered a good deal of financial difficulty - that is, union hospital districts and others, simply because much of the construction work that was undertaken prior to April 1, 1948 was not given credit for, when the federal construction grants came on the scene.

Now, Mr. Speaker, that is a very brief and sketchy run-down on the work of the Department of Public Health. I want to now deal with what might be, in prospect, and I am not going to be too complimentary to my friends opposite and their colleagues in dealing with these matters, because I feel they should be made aware of the shortcomings of their own party, and of the failure of their party to do things that are necessary to be done at the appropriate time. I do not need to say any more than to remind the House here that the Liberals have had health services as their programme since 1919. They have also had it in this province.

I think it would be several years ago I quoted during a speech I made, from speeches that were reported in the press back in the 1930's; and I am doing this for a reason, Mr. Speaker. I want to impress on everybody who hears me that the Liberal party knows they cannot plead ignorance to the need of these things. They cannot say that they didn't know that the people

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didn't want them, either, because they know they do. They have had countless representations over the years, and they themselves have, in order to catch votes, agreed that these things should be done, and then have switched themselves after they have been successful in acquiring enough votes to retain office.

Now, if you remember back in 1934 we had a different type of government here to either those opposite, or those on this side tonight. And the Liberals at that time were very anxious to get back on this side of the House, and so we find them out making speeches, endeavouring to get back on this side. I quote from a press report carried in "The Western Producer" of January 25, 1934 and this is the quote:

"States medicine and state health insurance is assured when the Liberal Party is returned in Saskatchewan", the former Minister of Public Health in the Dunning-Gardiner Governments of Saskatchewan said. (That was January, 1934).

"The Liberal Party, when returned to power, will establish a system of state medicine in connection with which a plan of state health insurance will be inaugurated, Dr. Uhrich's statement set forth."

Then it goes on to deal with why it should be done. I won't quote the whole paragraph, as he says this:

"The deplorable result is that many people find it difficult to obtain medical aid and hospitalization when it is needed. I consider it the duty of the Government to discharge the responsibilities which such a condition places upon the state.

If the Government can assume the discharge of duty of providing for the education of the youth of the province, surely it should assume and discharge the even more important and primary duty of safeguarding the health of the people.

"That is my belief, and the Liberal Party agrees with me, and will proceed to assume that responsibility and discharge the duty whenever called upon to do so by the people."

That was said when they were out of office. They like to quote here, (and misquote) statements made by the Premier with regard to education. They like to spend a lot of time saying we do not spend enough on education, but here one of their former Ministers, a man for whom I had a high personal regard (I knew him quite well) but he was speaking for his party at this time, and he said they had a more important duty to provide health than they had for education.

Now, we'll see what he said after they were elected. The Liberal Party was returned after the next election, and so in December, 1937 - a couple of years later - this is a report from 'The Western Producer' of December 15, 1937. I quote:

“Basing his argument on what had happened in respect to tuberculosis sanatoria, the Hon. J. M. Uhrich, Saskatchewan Minister of Health, Friday told the Royal Commission that it was his firm belief that any system of extended state medicine in Saskatchewan under existing conditions was not practical.”

He freely admitted there was a wide demand for service. This is what happened before an election - and after: So that has been the programme - that has been what has happened insofar as the Liberal Party is concerned. The next thing we hear about any health insurance from the Liberal Party is when they introduced their Green Books in the 1945-46 Dominion-Provincial conference, when they said at that time they were prepared to pay 60-40; them 60 in the province 40!

**Premier Douglas:** — Covering everything.

**Hon. Mr. Bentley:** — Covering everything, yes. And nothing happened, but they got elected in 1945. See the promises they made - the south Saskatchewan dam, and a few other things which never happened. Then they had to face an election in 1948 in the province of Saskatchewan; the C.C.F. Government had come in and they had to do something to get them out. They had to make promises which would appeal to the Liberals and to the voters in Saskatchewan, and also be prepared for the 1949 federal election to follow a year later. So on April 1st, 1948 they introduced the health grants, such as we have heard something of tonight, to help them (they hoped) defeats of the C.C.F. in Saskatchewan, and elect a Liberal Government and to lay the ground work for what happened in 1949.

Now, if they were honestly interested in health services, they would have gone further than they have gone, because there is no constitutional barrier to them providing help for provinces in the health field. They have done it to some extent, and as I said, and we were glad to receive the help to whatever extent we are able to get it in the field of health at the present time, although we don't consider it nearly enough. But when it comes to providing services that they could provide, let's see what they don't do. They have made no contribution whatsoever yet to Saskatchewan Hospital Services Plan; they have made no contribution to the Medical Care programmes for the old-age security - supplemental allowance people; for old-age assistance recipients; for mothers' allowances; blind pensioners, or for social aid.

They have made no contribution to dependents of war veterans' allowance cases. They have made no contribution to disability pensioners themselves, nor to their dependents, except for those things which are directly related to the war disability. They have not even allowed as a deduction for income tax the complete cost of medical or health or hospital care, and goodness knows it has been asked for time and again, and is something they could very well have granted without a great deal of cost to themselves.

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Again I want to stay here what has been stated on several other occasions, and I want to emphasize it, not one single province over ruled by the Liberals in the past for today has introduced any measure of health care; not one, as a government measure. Not one!

Now we are facing probably a provincial election, which has been known for some time. This province traditionally goes to the country so far as the C.C.F. Government is concerned, every four years. I don't know whether we are going this year or not, but based on past history, we could not expect the people in Ottawa to assume that anything would be any different. And it is altogether likely that they will have to call a federal general election by 1957 sometime, and some say maybe even this year might be a good general election year, also. So again they are going to come up with something - they have come up with a certain proposal so as to be prepared for any election that might be called by the province this year, and the federal election sometime this year or next year.

So we get the proposal. Before I deal with that, I want to see what they really believe in. I gave some idea of what they do not believe; now I just want to refer to an editorial which appeared in 'The Leader-Post' of March 7th, 1956 - just a few days ago.

**Mr. McCarthy:** — Golly, I wouldn't read that if I were you, Tom.

**Hon. Mr. Bentley:** — Well, you'd get a lot of comfort reading this, my hon. friend from Cannington, because it sets down the fundamentals.

**Mr. McCarthy:** — I didn't think you believed anything in 'The Leader-Post'.

**Hon. Mr. Bentley:** — I don't. I've only. . . (I don't believe much in 'The Leader-Post') I only believe what I can read between the lines, and they state very clearly here; I am going to quote some parts from that editorial of March 7, 1956, to show that they and their followers, the Liberals, don't believe in these measures that I have been talking about tonight.

**Some Hon. Member:** — I never have.

**Hon. Mr. Bentley:** — I don't believe you do, and they don't, but they state quite clearly that they don't, and I want you to listen to me. They say:

“Like all Socialists, the C.C.F. is primarily interested in creating grandiose state schemes as evidenced by compulsory hospitalization, compulsory auto insurance and highly organized health regions, etc.”

So if you want a clear proof of it, your spokesman, the press. . .

**Mr. McCarthy:** — It's yours, not ours.

**Hon. Mr. Bentley:** — Yours. 'The Leader-Post' has always been Liberal.

**Mr. McCarthy:** — No, yours.

**Mr. Speaker:** — Order! Order

**Hon. Mr. Bentley:** — Don't talk nonsense. Even an Irishman can't get that twisted. That's a clear indication that 'The Leader-Post' does not believe in these health schemes we have in this province. Therefore, the Liberal party doesn't believe in them, because it speaks for the Liberal party. 'The Leader-Post' is the greatest mouth-piece for the Liberal party that can be found in this country.

**Mr. Danielson:** — That's what you think.

**Hon. Mr. Bentley:** — Then they go on to say; (they are dealing with what Mr. McDonald said, as Leader of the party when he was speaking at a convention), and this is what they quote Mr. McDonald as having said:

“Liberalism, he declared, is a way of life that recognizes the superiority of the individual over the state, over the party, over anything else.”

(In other words, everybody for himself, and the devil take the hind-most!) That is the philosophy of the Liberal party is expressed by 'The Leader-Post'.

**Mr. Danielson:** — That's what you think.

**Hon. Mr. Bentley:** — Mr. Speaker, they said it themselves. It's the same as my hon. friend from Meadow Lake (**Mr. Dunfield**) said the other day about himself - he said it. He wished he was one, and he said maybe he was, and who is going to disagree with him around here?

I would say the Liberals, who are still sitting there giggling like a bunch of nervous little girls about statements of this kind, should get up and forthrightly say, “That's right - we don't believe in those things. When we get back into power (if ever), we'll abolish those things, and let everybody look after himself. If they cannot buy health services, they can go on being healthy or sick” - that is their actual belief. That is the way they acted when they were in.

Now, I would just like to deal with 'The Leader-Post' but I don't think I have time.

**Mr. Danielson:** — Oh, there's time.

**Hon. Mr. Bentley:** — I'm afraid I can't deal with all the things I would like to do with tonight, Mr. Speaker, but I would like to mention one thing, though that would indicate that the Liberal people don't even give a very serious thought to these things, because they do not know. I have here a clipping from 'The Leader-Post' which is a press report.

**Mr. McCarthy:** — Again?

**Hon. Mr. Bentley:** — Yes, this is a press report.

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**Mr. McCarthy:** — I didn't think you would bother to read it.

**Hon. Mr. Bentley:** — Oh, I read it because I get a lot of amusement out of it - it's funnier than 'Alley Cop' and funnier than my friends opposite because it has more time to think about what to do! Anyway, they are reporting a meeting of the Regina Citizens' Forum (People's Forum) at which Mr. A. H. McDonald was the speaker, and Mr. McDonald is reported to have said this:

“Mr. McDonald suggested municipalities propose in conference paying for construction and care of schools and hospitals, and asking the senior government to pay the operating costs.”

Can the Leader of any party in Saskatchewan be so completely ignorant as to what is done under Saskatchewan Hospital Services Plans as to suggest that the Government should pay the operating costs? That's exactly what we have done. They don't even know, you see, what is going on!

**Mr. Danielson:** — Better read it all.

**Hon. Mr. Bentley:** — Then it goes on to say:

“Paying for operating costs of schools and hospitals is the principal cause of municipal financial difficulties.”

We have paid the cost of operating hospitals since January 1st, 1947!

**Mr. Danielson:** — Read it all!

**Hon. Mr. Bentley:** — All right, I'll read some more:

“Property taxes cannot be increased in many municipalities, according to the speaker, and yet the costs of operating schools and hospitals and providing other services are increasing.”

The Hon. Leader of the Opposition doesn't even know yet that the Saskatchewan Hospital Services Plan pays the cost of operating hospitals!

**Mr. McCarthy:** — You're wrong.

**Hon. Mr. Bentley:** — I want to mention another thing. They are always talking of taxation, and our friends across the way thinks that taxes are a terrible thing. Well, I don't like paying them either; nobody does. I would like to point out that this Government relieves municipalities of what otherwise would be a tremendous load of taxation. I have here a table which was a reply to a question in the House, which showed the amount of hospital tax collected, the hospital expense, the administrative expense, and the total expenditure, and it shows the total amount of taxes collected from January 1st, 1947 to the end of 1955, to be \$55,500,000 and the total hospital expense to be \$122,322,000. The difference between those two items



\$67 million, and \$67 million, is on the present assessment of the province of Saskatchewan amounts to approximately 70 mills, and 70 mills over that period would have meant eight mills a year from January 1st, 1947 until the end of 1955.

**Mr. McDonald:** — Who paid that \$67 million?

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Bentley:** — The people of Saskatchewan, through this government - now listen, my hon. friend - nobody here has ever denied that; it has come out of taxes. The difference you see, Mr. Speaker, between our Liberal friends and this side of the House is in the collection of taxes we redistribute in services for the benefit of all the people of Saskatchewan. The Liberals used to their taxation policy to build up the prestige and wealth and otherwise of their friends. Mr. Speaker, I have lived in this province long enough to know what goes on.

**Mr. McCarthy:** — You will find out.

**Hon. Mr. Bentley:** — Mr. Speaker, he says I'll find out. I've been from 1907 trying to find out, and I have listened to my hon. friend now for quite a few years in this House, and nothing he has ever said is likely to help me to find out anything worthwhile! He has never made a contribution that had any form of construction in it whatsoever!

However, we won't go into those matters anymore tonight because the time is running short and I wish to make another comment at this point. Again I want to talk to my friends across the way. The objected tonight when I suggested that in my opinion their attitude toward Saskatchewan problems is not what I would think the attitude of patriotic citizens of Saskatchewan should be. At the conference held last fall, the Premiere of this province suggested among other things, that the old Federal-Municipal Improvement Assistance Act should be resurrected and brought up-to-date. He had the support of some other premiere in that suggestion. When he was down at the last conference a few days ago, he was told again that this would not be resurrected. I have never yet, in all the time that our friends opposite has been dealing with the problems of municipalities of this province, heard one of them suggest, or recommend, or never heard of their convention passing a resolution, asking the Federal Government to resurrect the Municipal Improvement Assistance Act of 1938 and bring it up-to-date. If they are really interested in the welfare of the municipalities of this province, that is one of the greatest contributions they could make, by passing resolutions and speaking in favour of having that particular Act resurrected and made worthwhile, and goodness knows the municipalities of the provinces of the Dominion of Canada certainly need that type of assistance. The Act that was passed in 1938 I guess was just another election 'dodge', Mr. Speaker.

Now, I just want to say in conclusion that the recent proposals that the Federal Government has made for the sharing of hospitalization and diagnostic costs with the provinces that will enter into an agreement, was welcomed.

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**Mr. Carr (Rosthern):** — A good thing, wasn't it?

**Hon. Mr. Bentley:** — Mr. Speaker, half a loaf is always better than none!

**Mr. Carr:** — That's a good half-loaf.

**Mr. Danielson:** — And they holler for more!

**Mr. Speaker:** — Order!

**Hon. Mr. Bentley:** — But half a loaf is never a full meal, and we have a government in Canada with responsibilities, and when they only discharge half or a quarter of that responsibility, we can only give it that measure of thanks for that portion, and no more - that is all they are entitled to.

I have no hesitation in saying that we are happy to have something offered; it will be useful, but it is not enough and don't think for a moment because this has been offered that this Government or this party over here will cease to offer criticism for the failure to undertake the whole programme. However, even though it is better than nothing - it is a half a loaf -there are a lot of holes in the half a loaf - there is no butter on it, and they forgot to put in the salt.

**Mr. McCarthy:** — Did they put margarine on it?

**Hon. Mr. Bentley:** — No, there is not even margarine on it. They wouldn't even put some of their cheap 34 cent butter on it. But they have put restrictions around this that are going to make it very difficult. In the first place they have insisted that before it becomes operative, six provinces with the majority of the population must not only signify their intention to come in, but they must all have an actual programme in operation, and they know very well that they can make that promise without being called upon to undertake any obligations, certainly before 1958. It is perfectly good election bait, Mr. Speaker, because there are only two provinces who could possibly meet a dead-line of 12 months - British Columbia and Saskatchewan. Alberta might, by a strenuous effort, but the bulk of the provinces required to come in could possibly get ready in less than a two-year period, which would bring us into the early months of 1958. If the Federal Government had really been sincere in wanting to enter into this part of the field of health insurance, they would have said, "This is available to every province as fast as that province itself is ready to come in and sign an agreement."

We would have been ready here inside of six months from the date the proposal was made. There are other restrictions, too. They are going to pass off a lot of their responsibilities onto the province; things which have hitherto been their responsibilities - they are going to pass them over as a condition of making this contribution available to us, Mr. Speaker, and when they do that, why it may be that the financial benefits to this province will be somewhat less than our happy little friends across the way (or should I say 'slap-happy' little friends across the way) - think it is going to be.

However, we are prepared as a government to enter into the agreement, and to start ironing out the details, and we will also ask them to make it available to us just as soon as the details are ironed out.

Mr. Speaker, I am sorry I didn't have more time to deal with more aspects of the Health programme, but again I want to congratulate the Provincial Treasurer, and to assure him that I am happy to support the budget.

**Hon. Mr. J. T. Douglas (Minister of Highways):** — Mr. Speaker, in rising to speak in this debate, I want to join with my colleagues who have paid tribute to the excellent work you have done in your position, and I know there have been times when it has been a bit extenuating, but even this afternoon, I am sure, Mr. Speaker, that you felt your work has not been all in vain. When I listened to my good friend from Arm River (Mr. Danielson) speak this afternoon, I thought he had mellowed a lot, and the very fact that he kept his speech down to an hour and a half shows that you must have had quite a bit of influence on him.

This afternoon also, the member for Wilkie (Mr. Horsman) spoke and quoted from Shakespeare, pointing out that we were looking for a new horse to ride, I couldn't help but think that the Liberals over there would have been very happy to have even a team of oxen right at the present time.

The hour is getting late, and I want to cover a few things this evening before we adjourn, and I would like for a few moments just to run over some of the achievements of my department during the last five years. To do that it will be necessary to remind you of the conditions as we found them when we took office in 1944. At that time, Mr. Speaker, agriculture was becoming rapidly mechanized over the entire province, and it was very evident that there would be a need in the immediate future for a great improvement of roads in this province if we were to provide the means of transportation that agriculture in itself was going to require. It was also evident at that time that with the end of the war, which was then in sight, there would be quite an increase in the amount of vehicle traffic which our roads and highways would have to handle. And with that in mind, this Government undertook to make certain radical changes so far as our highway programme and policy was concerned. At that time we decided it would be necessary to increase the width of our roads and the right-of-ways from 100 to 150 feet, and that was done over most of the work which we have carried on from that date to this. As a matter of fact, we have, as you know, on the Trans-Canada and some of the other more important roads gone to a 200 foot right-of—way in that period of time.

Just the other day I had the opportunity to run over a few traffic counts that were taken back in 1931. There weren't many taken, but some were taken just around the main cities, and they are rather enlightening. I find that on No. 1 east of Regina, in 1931 the count was 1510; in 1955 it had increased to 2270. On No. 6 north of Regina the count was 677; last summer

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it was 3,050. On No. 14 east of Saskatoon in 1931 it was 858; last summer, 4,160 - and so on down the list. I find that the increase ran all the way from 100 to over 400 per cent in that short period of time.

Now, one of the other difficulties which we faced was the fact that this province had been under a Liberal administration for a number of years, and during those years they had failed to give proper maintenance to the highway system of this province. I find at that time there was less than 100 miles of the provincial highway system that had been built on right-of-ways of more than 100 feet. In fact, the greater part of them were built on the old six-six-foot right-of-way basis. I have noticed in this House and in the country the Liberals have been saying they were responsible for the building of 8,000 miles of provincial highway in this province. They did no such thing!

**Hon. Mr. Kuziak (Minister of Telephones):** — They did no such thing. They only marked it.

**Hon. Mr. Douglas:** — I find that in 1944 when we took office there were only 4,872 miles of gravelled road in Saskatchewan. There was 138 miles of black-top, and another 2,270 miles which was graded but not gravelled, leaving over 3,000 miles of this system which had never been gravelled, and a great portion of that had never even been graded. Don't forget that during that period when the Tories were in office and they had built a very considerable mileage of the highway system in this province, so when they undertake to tell the people of Saskatchewan that they have built 8,000 miles of highway they are certainly stretching the point to quite an extent.

I want to say, Mr. Speaker, that no other government in Canada was ever faced with a face-lifting job which our highways required, such as when we took office in 1944. Not only were they in a dilapidated condition, but we have practically nothing with which to do the work. There were only 19 engineers in the Department in 1944. They were practically nothing in the way of modern equipment, either for maintenance or construction, so one of the first things we had to do, and we did do, was to set out on a recruiting campaign to get the necessary personnel to do the job. We had to organize a long-term programme of work and we had to find the necessary equipment to do the job. I should say, first of all, that during the war years, and until the war ended we were not able to make very much advancement in the recruiting of personnel or the securing of equipment, but by 1950-51 we had set up an organization, and we had secured enough equipment to go out and handle a \$10 million job. Not only had the Department itself secured a considerable amount of equipment, but because of the continuous work which we carried on from year to year (not just the years before an election) the contractors of this province felt they had enough confidence in this Government to go out and build up their staff and equipment, so by that time we were in a position to do as I said, carry out a \$10 million budget in 1950-51. Today the budget of the Department is over two and a half times the budget we had in 1950. At that time we had five branches in the Department, and three minor agencies. Today we now have nine integrated branches, all capable of doing a first-class job.

I want also to state that during that period, in the recruiting which we had to carry on, we were confined almost entirely to the graduates from our University. Most of these were young men who came to us with no experience whatsoever. They had to go through a period of training and I want to say that although they came with very little experience, and had to be trained, we can congratulate those young men because during that period very few mistakes were made. I admit (and we all admit) that we make mistakes, but there were no serious mistakes made during that period. I should also at this time pay some tribute to the older men - a few of the older men on the staff who helped to train and give guidance to the young men who joined the staff at that time.

For a moment or two, and to save time, I am going to follow this fairly closely - as I want to deal with some of the work done by the various branches of the Department.

**Mr. Speaker:** — Might I remind the hon. gentleman it is just about two minutes until adjourning time.

**Hon. Mr. Douglas:** — Possibly I had just better adjourn the debate, Mr. Speaker, as it is hardly worth starting on this with one minute to go. With your permission I would like to adjourn the debate.

(Debate adjourned)

The Assembly then adjourned at 10:00 o'clock p.m.