

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session - Thirteen Legislature
21st Day

Thursday, March 14, 1957

The House met at 2.30 o'clock p.m.

On the Orders of the Day:

CORRECTION

Mr. A.L.S. Brown (Bengough): — Mr. Speaker, before the Orders of the Day, I would like to draw the attention of the Assembly to what might be a typographical error in last night's 'Leader-Post'. The Leader-Post quotes as follows:

"The Federal C.C.F. member for Assiniboia stated on TV last Saturday he wanted to see the farmers get a fair share of the provincial income", Mr. Coderre said."

This is from a report on the speech which the member for Gravelbourg made in this Legislature.

I think what Mr. Argue said, and I think what the member for Gravelbourg said Mr. Argue said was that the farmers would or should receive a fair share of the national income, and that it was the member for Gravelbourg (Mr. Coderre) himself who expressed the opinion the farmers should receive a fair share of the provincial income.

Mr. Speaker, I just want to suggest that I didn't want such a ridiculous statement attributed to Mr. Argue.

BUDGET DEBATE

The House resumed, from Wednesday, March 13, 1957, 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).

Hon. J. Walter Erb (Minister of Public Health): — Mr. Speaker, when I adjourned the debate last night, among other things that I said, I had congratulated you upon your election to your honoured office and wished you well. I also congratulated the members of the Assembly who had just been newly elected, and I had thanked the hon. Premier

for the singular and great honour he bestowed, not only upon me, but upon the people of my constituency (Milestone) which I represent, in appointing me as Minister of Public Health for the province of Saskatchewan. I also commended the Provincial Treasurer upon the excellent Budget he brought down, and the manner in which he set that Budget forth. I expressed the confidence that, in keeping with our convictions, this budget is so designed as to spread the benefits of our resources to all the people of this province.

Since 1944 the various departments of this Government have become greatly expanded. This is particularly true of the Public Health Department, and that for obvious reasons. As a matter of fact, the Department is now probably the largest department of the Government of Saskatchewan. It has been generally recognized, I believe, that the Department of Public Health in its staff and organization, has no equal in the Dominion of Canada.

The first credit for the kind of Department we have today belongs, of course, to the first Public Minister of Health in the C.C.F. Government, the Hon. Premier. It was his genius for understanding human need, and his tremendous capacity for organizing and hard work, that gave to the people of this province the many health programs they enjoy today. Because they were challenging programs he was able to attract men of outstanding ability and high motivation, to put these programs into effect. Nowhere on this continent had one every presided over a Department of Public Health which in four short years had inaugurated so many programs of such magnitude, programs that have become models for other governments to follow, as the first Minister of Public Health, the hon. Premier of this province.

The programs, as we know, which were inaugurated in 1944-48 were the Hospital Services Plan; the mental health program; the free cancer control program; the Saskatchewan Air Ambulance; complete medical and hospital care for old-age pensioners on supplementary allowances; persons on mothers' allowances, and other groups of social aid cases, and our regional health services. I submit, Mr. Speaker, that the people of Saskatchewan will be forever grateful for these programs for they have removed from them the dread of financial insecurity and the spectre of financial ruin, which had been the misfortune of many of our fine citizens for so many years. I submit, too, that long after most of us are gone, these programs shall remain a monument to the vision and the courage, and the great humanitarian heart which inspired them.

I am keenly aware of the professional guidance that any Minister of Public Health in Canada requires, and I am, therefore, most appreciative of the excellent co-operation and assistance that I have received from my branch and divisional heads. I am particularly indebted to my Deputy Minister, Dr. Roth, whose remarkably outstanding organizational and administrative ability has won for him an enviable reputation, not only in Canada, but in the United States as well.

During the past several decades, medical science has made tremendous advances in all related fields of medicine. New and dramatic

surgical techniques have been developed, and a long list of new drugs and antibiotics have emerged out of concentrated research. Today thousands of research scientists in their laboratories are seeking the answer to some of our most baffling diseases, and each passing day brings them closer to their objective. The mass public are keenly aware of all this through its dramatization, by radio, television films, magazines, and so on. As a matter of fact, the treatment of acute illness has become glamorised. Indeed, there is a great deal of glamour in connection with a hospital. It has often been used as the setting for a radio serial, a book, a move and so on. It is my opinion (and I am sure that many will agree) that the accent that has been placed on the treatment of acute illness, has been almost to the exclusion of preventive medicine, upon which, among other things, I wish to make a few observations this afternoon.

It is not my intention, Mr. Speaker, to deprecate to the slightest degree, the magnificent achievements that have been made by our doctors and surgeons in treating acute illness, nor to deprecate the extreme necessity that always exists for acute hospital care. I am sure that all of us here are grateful for the knowledge that, should the need arise, we have access to highly qualified surgeons and the finest hospital care available anywhere. Indeed, by the application of highly specialized surgical techniques, and the use of the newest drugs and antibiotics, thousands of lives are being saved daily, as well as the life expectancy of the individual being very materially increased. But, Mr. Speaker, we live in an era of stress and strain, an era of physical and psychological pressures that often create profound physical and mental changes in the human body. And the correction is too often sought only after they have become emergent conditions. And often, too, we are compelled to pay the high price of neglect.

As it relates to our modern pace, and our modern environmental living, I suggest that a preventive program is highly indicated. Notwithstanding all the great and profound medical know-how, and the high quality of hospital care that we are able to provide, the people are not as free from ill health as they ought to be. Hon. members may recall a survey that was made in 1951, and the statistics that emerged out of that survey were rather shocking. I shall not bore this Assembly this afternoon with those statistics, but they clearly indicate that those people who are least able to pay for services are the ones whose health, in most instances, is neglected. While such statistics were not available when the first C.C.F. Government was elected in 1944, there was certainly sufficient evidence in this province – and probably for economic reasons only – that the health of the people of Saskatchewan was badly neglected. It might be well to point out here that prior to 1944, public health services were virtually non-existent in Saskatchewan, with the exception of the cities of Saskatoon and Regina. It was, and still is, the conviction of the C.C.F. Government that the opportunity to obtain the best that modern science can afford in health care is not a privilege – it is a right of every citizen, regardless of where he lives or his economic status in life.

It was on this premise, Mr. Speaker, that the first C.C.F. Government of Saskatchewan began the great task of creating the many health programs that we have today, and which have become a part of our way of life in Saskatchewan. Early in 1945 we made it possible for municipalities to pool their resources by providing them with a preventive health plan, by assisting them in setting up the health regions. Two-thirds of our population, or about 500,000 people today, are covered by health regions, and are now receiving modern public health services as well as the two cities of Regina and Saskatoon.

In the same year we established a complete medical care program for the needy, the aged, widows, pensioners, persons on mothers' allowance, and other requiring social assistance. Today, 35,000 people in need of social or medical aid are eligible for this assistance. In 1947, we put into effect the first prepaid comprehensive hospital insurance program on this continent, setting the premiums low enough to cover everyone eligible, and providing incentives towards high quality care, and the efficient operation of the hospitals. Thereby we have ended financial worries and debt arising out of unexpected hospitalization. As early as 1944 we provided construction grants of more than one-third of a million dollars to help local communities build new and improved hospitals, both large and small, and in locations where they would best serve the communities and the greatest number of people. The Provincial Government's contributions since then have approached \$3 million for this purpose. That does not include, of course, the expenditures or the construction of the University Hospital and the training School for mental defectives at Moose Jaw.

Today, Mr. Speaker, we have more high-quality hospital bed accommodation in relation to our population than any other part of Canada or the United States: 6,262 measured beds, or 7.1 beds per thousand of population at the end of 1956; and 6,758 beds set up, or 7.6 beds per thousand patients, compared with only 3.9 measured beds per thousand patients in 1943. We have established a first-rate medical school and a 523-bed University Hospital. It is, incidentally, one of the best equipped and best staffed on the continent, and I might say here that, for the first time, fully trained medical doctors will be graduating from the medical school this year. I am sure that will be a memorable occasion, and one to which we are looking forward.

We have completed a new training school near Moose Jaw to provide high quality care and training for the mentally deficient. We have greatly increased the numbers of qualified physicians, and nurses and other workers in our mental institutions, and I should single out, perhaps, for special mention, our 500-hour in-service training for psychiatric nurses. First, there is the fact of our considerable success in recruiting high school a shortage of this kind of worker. Secondly, this three-year course had developed a high quality psychiatric nurse who is able to be of real help to the psychiatrist in the treatment of the mentally ill.

Yesterday afternoon, Mr. Speaker, the hon. member for Arm River (Mr. Danielson) made several wild charges about the conditions of our mental hospitals, and the treatment the patients received therein. He read from a scurrilous letter which, I understand, was circulated throughout the province during the last election campaign. It was obvious that the member for Arm River was simply parroting an alleged condition out of which he thought he could make some political hay. In other words, he was grasping for a straw that would somehow save him from political submersion.

I remember back in 1949, Mr. Speaker, a tour was arranged for the members of the Legislature – a tour of the Weyburn Hospital. I distinctly remember that, of the Opposition, only two members took advantage of that tour, and neither of them was the member for Arm River. I say that, unless the member for Arm River can stand up in his place and say that he has recently visited the Weyburn Hospital, he is among the last in this House who should attempt to speak with any competence upon our mental hospitals.

Premier Douglas: — Hear! Hear!

Hon. Mr. Erb: — Mr. Speaker, when I toured the hospital in 1949 with other members of this Legislature, the mental health program was just getting under way and, frankly, I felt at that time that much was to be desired in personnel and facilities that were necessary to carry on an adequate treatment program.

Just last autumn I visited Weyburn Hospital again, and I am happy to say that I was amazed at the progress that had been made at Weyburn since 1949. Now, Mr. Speaker, it gets just a little wearisome listening to the irresponsible and grossly exaggerated claims of those people who for some reason or other have an axe to grind with this Government for the conditions existing at the hospital.

Mr. Danielson (Arm River): — 12 years – 12 years!

Hon. Mr. Erb: — I would like the members of the Opposition to understand that it was from the Liberal Government in 1944 that the C.C.F. inherited a ‘snake-pit’ – what was supposed to be a mental hospital. It was a slum of indignity, degradation and straight-jacket despair; it was a place of exile from society – an exile from society of cheap and indiscriminate custodial care, and the stigma of mental illness in those days was like the chill of death itself. Where, I ask, Mr. Speaker, was the voice of the member from Arm River, prior to 1944, to champion the cause of the mentally ill?

When we listen to these statements and to other statements, which of them are we going to accept regarding the real picture of our mental health programs? Will we accept those that are parroted by the member for Arm River, or are we going to accept the statements made by responsible people, such as the world-renowned psychiatrist, Dr. Menninger, of the Menninger Health Clinic.

March 14, 1957

Mr. Danielson: — Why don't you go to Dr. Osmond, your superintendent down there? Why don't you go to him? He ought to know something.

Mr. Speaker: — Order!

Hon. Mr. Erb: — Mr. Speaker, I should just like to quote from what Dr. Menninger has to say about our mental hospitals, and I will let the people of Saskatchewan judge whether what the hon. member from Arm River parroted this afternoon, is grossly exaggerated and not in accordance with the facts, or whether they are going to believe the authorities who are interested in this kind of program.

Mr. Danielson: —That's what you say; nobody else said it.

Hon. Mr. Erb: — Mr. Menninger said:

“To my knowledge, Saskatchewan is the only area in the world that has all the competent psychiatrists it presently needs.”

Then he goes on to say that he is:

“. . . impressed with the mental health organization in the province, and its long-term planning is a highlight of the program.

“The psychiatric aid training being carried on in Saskatchewan is envied throughout the world, and is being copied as fast as other areas can arrange it.”

Dr. Menninger says he has formed a high opinion of the province in psychiatry: “some of the best trained men in the field are now working in Saskatchewan hospitals and clinics.” That is what the authorities have to say, Mr. Speaker.

With particular reference to the charges that the hon. member from Arm River made yesterday, he pointed out that the hospital was originally constructed for only 600 people. Well, I should like to say that it was a Liberal Government that constructed the hospital, and certainly, if he recognized the need for increased facilities today, I ask the question again, where was his voice in those days when conditions were infinitely worse than they are purported to be today?

The type of structure that was built at that time (built in 1921, Mr. Speaker) was such that improvements to plumbing are very difficult to make; but notwithstanding those difficulties we have continued to make progress, particularly to the bathroom facilities to which the member specifically referred. These are being improved and increased each year. When

we inherited the hospital from the Liberals in 1944 (he talks about overcrowding, Mr. Speaker) there were 2,500 or more patients in the mental hospital at that time. I didn't hear the hon. member for Arm River at that time getting up in his seat and shouting that more space ought to be provided for the mental patients! It was only a C.C.F. Government, Mr. Speaker, recognizing the deplorable conditions that existed then, that immediately set to work upon the first recommendation by a group of psychiatrists, that we must segregate the patients. It was for that reason that we took the mental defectives out of the hospital and placed them in the airport buildings at Weyburn as a temporary measure, to reduce and relieve the overcrowding in the Mental Hospital.

During the past 10 years, renovations have been going on in the hospital all the wards. As a matter of fact, we have, in the last two years, carried out renovations that have much improved the accommodation of some 350 patients. Plans were made and money appropriated last year, to carry out a drastic renovation program on our mental hospitals, and I suggest that if the member for Arm River had been reading his Estimates, and following the Public Accounts, he, of all people, ought to know how much has been spent on improving our mental hospitals.

Mr. Danielson: — But not to help the patients.

Hon. Mr. Erb: — We have provided a nurses' residence at the hospital and recently we have opened a new T.B. wing at Weyburn. This year we are spending some \$75,000 on renovating wards at the hospital. Through the policy adopted by this Government with respect to the mental health program, we have reduced the population at Weyburn from 2,600 when we took over to about 1,640 at present. I suggest that is just about 1,000 less than when we took over the Saskatchewan Hospital at Weyburn from the Liberal Government in 1944.

Let me make another correction. This building in the first instance was not designed for 600 people. The best evidence that we can get as to the proper number of people who should be cared for and receive adequate treatment in this hospital, as set down by the American Psychiatric Association and also the Canadian authorities, is 1,250. While we recognize that the Weyburn Hospital is somewhat overcrowded, nevertheless this Government has demonstrated its good faith by relieving overcrowding and we have at long last clothed the place in dignity. We have succeeded in greatly reducing the number of people in Weyburn by building the new mental training school at Moose Jaw. Certainly by relieving the pressure of the mental defectives at the hospital, we have helped the whole program and in that process, we have spent between \$10 million and \$12 million on mental health in this province, during these years.

The hon. member for Arm River made some remarks about the clothing. Well, Mr. Speaker, this Government has complete responsibility for the patients' clothing. Last year we spent twice the amount of money on clothing that we did the year before. We will continue to investigate the best

type of clothing. Some patients are very hard on clothing, and our staff there have been experimenting with different kinds of cloth, more colourful as well as more serviceable, and I am sure that the criticism we heard here yesterday is one of the gross exaggerations that we have been hearing for so long.

The purpose of the mental health program is that patients may be able to get out to their homes and into the stream of society just as soon as possible. The admission rate to our hospitals in the last 10 years has doubled, and the demands for treatment are continually heavier. However, I want to point out that the discharge rate has increased even more. However, I want to point out that the discharge rate has increased even more, so that the discharges are now 87 per cent of admissions, whereas they were only 62 per cent 11 years ago. Our medical staff has constantly increased; our nurses' training program, which has received such great recognition and which has done such a remarkable job, has tended to keep Saskatchewan in the lead in its mental health program. I hope that, when people are constrained to talk about our mental hospitals they do so only after having investigated all the facts, because the irresponsible drivel that we heard here, yesterday afternoon, can only reflect on those people who are trying to do a good job under conditions which, we say, are not yet ideal. It is also a disservice to the people of Saskatchewan . . .

Mr. Danielson: — Admission of failure!

Hon. Mr. Erb: — . . . with whose resources we are trying to provide for a good mental health program; and it is insulting to the intelligence of the people of this province.

To continue, Mr. Speaker, we have provided free diagnosis and treatment of cancer cases, and that program has been in effect for 12 years. Again here, the best in facilities and equipment has been provided, and we have attracted to this province some of the most outstanding men in the field of cancer. We have set up a complete range of treatment and training rehabilitation programs for several types of crippling conditions. We have established for the first time really effective programs in such fields as preventive health education and nutrition. We have embarked on an extensive and long-term training program to increase the number of nurses, radiological and laboratory technicians, and similar specialized health workers.

At the same time an increasing number of physicians have been attracted to Saskatchewan. Many of the best qualified doctors have entered public life as public health officers, teachers, and professors at our University Hospital, Medical School, and so on. In 1943, for example, there was only one doctor for every 2,054 of the population. Now, we have one doctor for every 1,100 people in the province, and this represents an improvement of about 100 per cent.

What have been some of the recent programs in preventive services? As I said, we are at present able to provide almost a complete range of qualified staff in our eight health regions. Personnel shortages that are common to all of Canada are gradually being overcome, and new regions to serve the remainder of the province are being contemplated. Quite recently we have been carrying forward several important projects of special public health interest. In the Moose Jaw region, we have instituted a unique rheumatic fever control program, under the sponsorship of the Health Department. The Regional health officer and the local family doctors in that area. The Health Department, is supplying penicillin free to select cases. These are mainly children who have had a history of an attack of rheumatic fever, and we hope to supply penicillin regularly to these people until they have reached the age of 18 years, in order to prevent recurrent attacks of this disease, and thus avoid possible heart damage.

Other areas in Saskatchewan are benefiting from similar programs as we work out arrangements with the health officers and the local doctors there. I might say, Mr. Speaker, this is the first time, to our knowledge, either in Canada or the United States that penicillin is being provided free. We are attacking the serious problem of dental decay among our people by encouraging prevention among our children, before dental caries begins to make too much progress. We are encouraging our municipal authorities to fluoridate communal water supplies, as a completely safe and effective measure which will reduce dental caries in children, and that by about 62 per cent.

Again, here in Saskatchewan we are the first to be employing dental hygienists, specially trained young women, to provide free preventive care to children in the rural area. Our training program for these specially trained young women has been expanded so that the service can be extended to additional rural areas of the province. As you know, Mr. Speaker, good mental and emotional health begins in the home, and for that reason we are employing specially trained psychologists, teach psychologists, to assist the school teacher in understanding the emotional behaviour of children in school, and in the home. This program, I might say, is also being expanded.

The Public Health Nurses are the keystone of an effective preventive program. Their number has been constantly expanding by recruiting well-trained women from the United Kingdom and from Ireland. A post-graduate training course in public health nursing has been added to the University of Saskatchewan and, in addition, we are expending our facilities for practical field training of nurses studying public health at the University.

The Northern Administration District, with its vast distances and migratory population, poses many problems in the provision for public health services. We have appointed a full-time physician to work in that area together with a full-time sanitary officer. Members will know that we have also provided a small hospital in Uranium City, and we are assisting residents there to develop more complete facilities as time goes by. In co-operation

March 14, 1957

with the Department of Indian Affairs, we hope to establish a hospital at Lac la Ronge.

Saskatchewan has been fortunate, Mr. Speaker, in the years 1954-1955 and 1956, in having fewer cases of poliomyelitis than in 1952 or 1953. The resources of the entire Health Department were used in those two epidemic years to cope with unprecedented numbers of seriously ill cases. Two acute illness centres were set up, and two physical restoration centres were established on a full-time basis in Regina and Saskatoon. The restorative services are achieving excellent results, I am happy to say. I believe I am safe in pointing out that the treatment services – that is the restorative treatment services – that we offer are second to none in Canada, and what is more, these services in Saskatchewan are obtainable at very little cost to the patient, regardless of the amount of rehabilitation that is given or requires.

The problem of possible water pollution has engaged the attention of my Department for a considerable length of time. To the extent of its resources, the Government is assisting local communities to improve the purity of their water supply. Sanitary offices play an important roll in inspection and consultation and, together with other members of the staffs in health regions, help to inform the public as to the benefits to health accruing from safe water. Financial assistance is also given by the purchase of local debentures from small communities that are installing water and sewer systems.

I would for a moment, like to speak about our recent progress in treatment service. In regard to treatment services, we now have some concrete evidence of what a comprehensive program is doing in improving the health of our people. Our public assistance program which ensures a virtually complete range of health care for pensioners and other persons receiving social aid, has been most successful. Information collected over the years indicates this is proof that they are receiving substantially more care than they would normally have had, had not the economic barrier been removed. While perhaps in some instances there is overuse, from the preventive health point of view, we have reason to show that one person in five of these beneficiaries do not see the doctors at all, and only one in three received no health care at all. So, while it may be abused in some cases, the fact is that we have a good record here. This may be a tribute to the good health that this group of people are enjoying.

The effect of this kind of program depends upon the willing collaboration of many health workers and health agencies. We have enjoyed, in the Health Department, during 1956, the same wholehearted co-operation that we have received from the groups rendering these services – the doctors, the dentists, nurses and other associated groups in the health field.

I see that my time is running on, and I should like to make a much more comprehensive review of my department. I will hurry on.

The Air Ambulance has become an integral part of Saskatchewan's health picture since its inception. I might point out that is really a remarkable record, Mr. Speaker. Since its beginning no patient has been injured; no plan has been seriously damaged; over-all, it probably has the finest record of any kind of service in the world of its type. I think we must commend and give credit to the pilots, the nurses, maintenance personnel and all those who have been responsible in operating the ambulance service. We must also give credit to the little communities where our planes land, for in many instances they have built landing strips, enabling landings to be made much more safely.

The volume and care provided by the Saskatchewan Hospital Services Plan, I wish to report, has remained almost constant during the last six years, a fair indication again of the beneficial effects of the removal of the financial barrier. It also indicates that we have a proper amount of hospital beds to provide all the needed care. In 1956 a total of 826,000 people in Saskatchewan were entitled to benefits under the plan. This figure includes about 96 per cent of the population for everyone not covered under some other provincial or federal program. The widespread support of the Saskatchewan Hospital Services Plan is indicated by the fact that 97 per cent of those people eligible for benefits, pay their premiums. This again reflects the correctness of Government policy in setting premiums low enough to be within the reach of virtually everyone.

I might say that hospitals are being assisted by the Health Department in numerous ways. Construction grants, as already mentioned, are being directed towards building modern and well-equipped hospitals where they will be most effectively utilized.

Our teaching programs are under way in the Medical College at the University, and special emphasis is being given to thorough training of students in general practice of medicine. Research will receive increased attention at the Medical School. I might say that an important impetus to research has been given by the gift of \$250,000 from the Saskatchewan Division of the Cancer Society for the erection of a new medical building.

In summing up this portion of my talk, Mr. Speaker, I should like to say that a great many illnesses are preventable, a great deal of suffering can be avoided; many lives can be spared and prolonged, if we learn to keep ourselves well. More attention must be paid to the food we eat, the houses we live in and the conditions under which we work. We are learning that more hospital beds, more doctors, more expensive drugs are only part of the answer, and there is real danger that too much of our energies and financial resources will get tied up into treatment services, and that we will overlook what must still be done in the field of prevention. A health service must be a balanced service. By a balanced service I mean one that has all the elements

of prevention, treatment and rehabilitation, each adequately developed and each in proper relation to the other. I think we have done well in the province of Saskatchewan, and that we have pioneered with foresight, judgment and imagination in laying the groundwork for a balanced health service.

As the budget has indicated, over \$27 million will be spent on public health in Saskatchewan during 1957. I contend, Mr. Speaker, this sum that is being invested in our human resources is one of the best investments it is possible for us to make, for it will enable our people, first, to remain in good health, and, secondly, to obtain treatment services at the earliest sign of disease with the minimum of financial concern. It is the people, I contend, who are physically and mentally well who create the wealth of our province. It follows, then, that these same people have a right to that portion of the wealth so created and required to provide for their physical and mental well being.

We must always remember that health services are not cheap. We must keep in mind, when speaking of the cost of health services and health programs, that the facilities used therein are costly; that is the building, operation and maintenance of our hospitals, the expensive treatment facilities that go into that operation, the highly trained personnel – doctors, psychiatrists, nurses, physiotherapists, radiologists, pathologists, technicians and engineers. All of these are factors in making up the total cost of service. I think it can and should be pointed out that inflation has had a tremendous influence upon the cost of providing health services, not only in Saskatchewan, but throughout all parts of Canada. To cite one example: in 1946 we could erect a hospital at a cost of about \$5,000 to \$6,000 per bed; today that cost has risen to \$10,000 to \$12,000 per bed.

No one can logically argue, or suggest that because health services are costly we should provide only a minimum thereof. I am confident that the economic base of this province justified the kind of health program that this Government has developed. Notwithstanding the great advances we have made in Saskatchewan compared with other parts of the country, much remains to be done; but what we have done has been in keeping with the best tradition of that which is both practical and humanitarian. And I am confident, too, Mr. Speaker, that this Government has the overwhelming support of the people of Saskatchewan, for the manner in which it has pioneered and advanced so many health programs, which have become so much a part of our way of life.

I should like to have said something, Mr. Speaker, about that which relates to the plight of our farmers. I want to say that I wholeheartedly support the genuine and realistic appraisal of the agricultural situation that has been made by my colleagues on this side of the House, and the C.C.F. members in the House of Commons. I am confident that, when the Federal Government begins to realize its responsibility – because, let us make it clear that it is a responsibility of the Federal Government – then we shall begin to see some measure of relief in the plight that has befallen our farmers. But until the Federal government decides to do something about the agricultural crisis, this

problem will continue, and could conceivably become even more grave.

Mr. Speaker, it has been customary at each session for the Opposition to spend a good deal of time in deprecating the political philosophy of the C.C.F. party. Since the return of the hon. member for Redberry (Mr. Korchinski) out of exile, we have heard particularly a lot about social democracy. In being opposed to democratic socialism, Mr. Speaker, I have been trying to analyze what cause the Opposition do champion. Certainly they cannot be opposed to the C.C.F. party on the grounds that we are opposed to private enterprise, because private enterprise in Saskatchewan has never had it so good. It is evident by the industrial expansion in this province, together with the hundreds of millions of dollars that have been invested in exploration and development that this is an indication of the faith and confidence that free enterprise has in this Government. Certainly Mr. Speaker, the Opposition ought not to be opposed to the C.C.F. because of our philosophy respecting the co-operative movement. I am sure that many members in the Opposition belong to the co-operative movement.

Mr. Gardiner (Melville): — Do you want to see my membership?

Hon. Mr. Erb: — Well, the member for Arm River certainly does.

Mr. Speaker, it was only under this Government that the co-operative movement really came into its own and was able to expand and grow as it has. Saskatchewan today has become the leading co-operative province in Canada. Surely, sir, the Opposition cannot take issue with this Government because we believe in public ownership, for has not the federal Government at Ottawa established publicly-owned enterprises on a far greater scale? There's the Eldorado Mine, T.C.A., the Polymer plant and many others.

Mr. McDonald: — They were shoved into it.

Hon. Mr. Erb: — Whatever the reason for their almost pathological aversion to C.C.F. philosophy, one thing is certain, they have confused democracy with capitalism.

Mr. Cameron (Maple Creek): — Would you repeat that?

Hon. Mr. Erb: — They have tried to confuse the people that somehow democratic socialism ultimately leads to Communism. It is strange, Mr. Speaker, that we have never heard the Opposition voice the dangers of Fascism. Fascism, I submit, did not die with the dictators, Hitler and Mussolini. It is alive in Spain, it is alive in several South American countries; and what is almost even as serious, Mr. Speaker, . . .

Hon. Mr. Kuziak: — And in the Liberal party!

March 14, 1957

Hon. Mr. Erb: — . . . these Fascist regimes have been cloaked with respectability, and have been helped in many instances by those people who profess to be champions of democracy.

Mr. McDonald: — Don't be so ridiculous.

Hon. Mr. Erb: — Democracy, I submit is a way of life and while various interpretations of democracy have been made particularly by those institutions or systems working within the frame work of democracy, they do not contribute or enhance the basic ideals of democracy.

Mr. McDonald: — Who is this, Socrates?

Hon. Mr. Erb: — Indeed, these systems, by virtue of the concept of freedom enunciated in a democracy have, in some instances succeeded in identifying themselves as synonymous with democracy, Mr. Speaker, and therein, I suggest, lies the danger. Monopolistic and cartel capitalism constitutes such a danger within the democratic process. Let us not confuse this kind of capitalism with competitive free enterprise, Mr. Speaker. The latter is an integral part of our democratic society; the former would destroy it, and in many cases has succeeded in doing so.

Mr. Speaker, it is to be hoped that the Opposition, particularly certain elements thereof, do not espouse this kind of capitalism. If they do not, then like Don Quixote, they will have become the epitome of the ludicrous by charging the imaginary. . .

Mr. McDonald: — What about Davy Crockett?

Hon. Mr. Erb: — . . . in maintaining that democratic socialism is a threat to democracy. But, if unwittingly, by their circumscribed thinking of capitalism as being synonymous with democracy, they do champion its cause, I should like to quote for their benefit from both the protestant Church councils and the Catholic hierarchies in this regard.

Mrs. Batten (Humboldt): — What else would you use?

Hon. Mr. Erb: — “Capitalism seizes, confiscates and dries up wealth; reduces the number of those who may enjoy riches and holds up distribution, and defies divine Providence who has given good things for all men.

“St Thomas Aquinas says that man must not consider riches as his own property, but as a common good. This means that Communism itself as an economic system, apart from its philosophy, is not in contradiction with the nature of Christianity as is Capitalism. Capitalism is intrinsically atheistic. Capitalism is godless, not by nature of a philosophy

which it does not profess but in practice, which is its only philosophy, by its insatiable greed and avarice, its mighty power and dominion."

From the official Vatican paper, "Osserratore-Romano" as quoted in the 'Catholic Worker' of 1954, Mr. Speaker.

Mr. McDonald: — Socialism and rheumatism.

Hon. Mr. Erb: — Since the last war a number of nations in Africa have won their independence and just recently, in Equatorial Africa the little nation of Ghana. It is highly significant that these nations have adopted democratic socialism as their way of life for providing them with the best system to develop their resources and institutions. Mr. Speaker, this momentous ideological decision was not made overnight. This decision was in the making for decades upon decades, for upon their backs for a hundred years and more rode the ruthless exploiters of western democracy.

Mr. Speaker, the Liberal party and their political mouthpiece, 'The Leader-Post' have for years endeavoured to convince the people that the C.C.F. is a spent force. But I want to say to my friends across the way . . .

Mr. McDonald: — Take it as read.

Hon. Mr. Erb: — I want to say to them, Mr. Speaker, that as long as the dignity and worth of a single human being is challenged, just so long shall we continue to abide. As long as there remains one hungry human being, we shall be around to see to it that he is fed.

Mr. McDonald: — Bravo!

Hon. Mr. Erb: — As long as one man suffers from social and economic injustice, we shall be present to defend the cause.

Mrs. Batten: — Watch that halo!

Hon. Mr. Erb: — As long as there are people who are of goodwill, so long shall the C.C.F., together with countless millions of peoples throughout the world, of kindred spirit, and of every race and creed and colour, march on in a great and human crusade towards that day when mankind, in the fullness of its heart . . .

Mr. McDonald: — Toot! Toot!

Hon. Mr. Erb: — . . . shall walk in peace beside the still waters. . . .

Mr. McDonald: — Who wrote that?

Hon. Mr. Erb: — . . . and lie down in pastures green. I shall support the motion.

Hon. C.C. Williams (Minister of Labour): — Mr. Speaker, due to the time factor, I will have to forego the usual complimentary remarks, and will have to hurry on. Again I am Minister of Saskatchewan Government Telephones and of this I am very pleased, and wish to thank the Premier for this appointment.

First, I will deal with Telephones and will follow with reports from the Department of Labour, and whatever Safety Branches I may have time for. During the coming fiscal year, Saskatchewan Government Telephones will spend in the neighbourhood of \$11 million for the enlarging and replacing of the telephone plant. This will provide cable extensions, central office equipment, carrier equipment (a big item by the way), telephone instruments, pole lines and some building work; a new warehouse in Regina, which is badly needed, and many other items. Approximately \$6 1/2 million has been paid for the micro-wave system which leaves only a half million dollars in next year's Budget for this item.

There has been only one general increase in telephone rates during the past 12 years, which varied according to circumstances, but was approximately 13 per cent on the average. Slightly upward adjustments have also been made at some of the larger points, which have grown to the extent where automatic increases are applied when the total number of telephones has reached a certain level. In price comparison with almost every other service or commodity in the country, we feel that 13 per cent is a very modest increase.

It is the policy to gradually convert the manual systems of the province to automatic, and I have the privilege of officially opening our new Kamsack office on February 26, which was the fourteenth to be provided with automatic in the past eight years. A similar function will take place at Eston in a few weeks' time, but that was all for 1956. The towns of Wynyard, Wadena and Shaunavon will be provided with automatic service during 1958. We have 985 rural telephone companies connected to our system, and have a Rural Branch employing a superintendent and 10 employees, five of whom go into the field to assist in organization and inspections of rural telephone companies at no cost to the companies.

These companies when connected to the system where automatic phones are in use, are provided with automatic instruments free of charge, and these instruments are fairly expensive, running from \$30 to \$35 each. The old wall types are taken out, and either stripped of anything of value, or discarded altogether. During the winter months, we have a school set up, with five two-week courses to instruct and assist rural 'trouble' men, so that they may maintain their lines. Approximately 50 of these men took the course last winter, which is also given free.

A goodly number of amalgamations of rural companies take place each year through the efforts of this Department. Mr. Earl Cavanaugh has been Superintendent for the past 10 years, and had been with the Department 28 years before that. He is the only practical telephone man who has ever held that position.

I will have more to say in regard to telephones a little later on, especially the new microwave system.

To turn to the Department of Labour, Mr. Speaker, we are asking for an amount of \$1,162,950 for the coming year, which is not large as departments go. However, we can deduct from that amount the sub-vote for the administration of The Fire Prevention Act which is \$109,250, and is paid by a 1 per cent tax on all fire premiums in the province. We also get from the Dominion Government, in regard to civil defence, \$9,200; also from the Dominion government their share of the apprenticeship training program \$117,190. Thus, a total of \$235,740 can be deducted from the item of slightly over \$1 million. Then we find that the Department receives considerable revenue from its various branches. The boiler Pressure Vessel and Elevator Branch brings in \$106,000; the electrical and Gas Inspection Branch, \$357,000; the Film Censor almost \$100,000; Fire Prevention, \$8,500; Theatres and Public Halls, \$39,000; Apprenticeship and Trades and Qualifications, \$48,000; or a total of \$663,000. When that is deducted, the amount we receive from the Provincial Treasurer amounts to \$263,930, which is not excessive and will be used to the ultimate advantage of the people of Saskatchewan, particularly those who live in the cities, towns and villages.

To go to the various branches of the Department, I will first refer to the Labour Standards Branch. It is perhaps one of the most important because it sees to it that the employees (mostly those in the lower income bracket) are paid proper amounts for their work, and are not worked excessive hours. Most employers have every desire to treat their employees fairly in the matter of wages, holidays, hours and so forth, although some do make honest mistakes, and are quite willing to correct them when the matter is brought to their attention. Of course, there is always the small percentage who will 'chisel', and we have to watch them closely. We have eight inspectors in this branch who inspected 16,180 places of business during the year 1955-56, and collected \$78,502 for 1,918 employees, which amount was paid over to them. This is broken down as follows: The Statute, The Minimum Wage Act, pay in lieu of notice – that is when an employee has been employed more than three months, he or she is entitled to one week's notice by law – 27 employers paid in \$1,284 for that; pay for public holidays, 52 employers, \$3,929; wages – 114 employers paid in \$8,004; meals and lodging (that is where the place of business has overcharged its employees) – 11, of them paid \$2,956; the Hours of Work Act, we find 367 employees received \$18,132. The Annual Holidays Act, 860 employees received \$28,982; and The Wages Recovery Act, 193 employees received \$15,212. So there we have a total of 1,918 employees for whom we collected and paid over the amount of \$78,502.

Mr. Speaker, I might say that the Minimum Wage Board just recently – I think it was some time in January, held meetings with the employers' and employees' representatives, and while I can't give the exact amount of the proposed increase, it will be available fairly soon, along with some other recommendations.

From time to time, Mr. Speaker, in this House and out of it, we are told that Saskatchewan is behind other provinces in the matter of wages. Up until recently our minimum was the highest in Canada, and has been for the past 12 years, which means that we have seen to it that no one in this province must work for less than what can provide a reasonable standard of living.

Unions in this province have, generally speaking, been able to maintain wages comparable to what is paid elsewhere in Canada, and, in some instances, better rates. Statements then to the effect that our averages are low can only cast a reflection on the generosity of Saskatchewan employers, who themselves decide what they will pay to their employees.

According to the Dominion Bureau of Statistics for November, 1956, the average weekly wage in Saskatchewan was \$63.65 as against \$62.09 in Manitoba, with Alberta slightly higher. This survey covered firms employing up to 15 people. A check of average weekly wages and salaries by industries shows that we in Saskatchewan are higher than some in many of the other provinces, including Manitoba. So it seems that Liberal speakers from time to time in claiming that wages are lower here only indirectly are criticizing the employers who pay between the minimum rate and the union rate.

Older workers – I have a paragraph on that. I have on previous occasions referred to older workers, and the fact that they are sometimes discriminated against in regard to employment. Nobody knows who, years ago, dreamed up this mythical milestone of 65 to end a person's working years, and in my opinion it is almost inhuman to apply it rigidly. Invariably the average person must seek employment in other fields which is not easy to find at that age. While obviously no hard or fast rules should be applied, it is basically wrong to refuse to hire a man or woman up into their 40's or 50's or even their 60's, because of age. Youth must be encouraged and provided with opportunities, but should not be allowed to crowd middle-aged or older persons out of the employment picture. The State of Rhode Island recently enacted a law prohibiting discrimination in employment against people 65 years and under, between 45 and 60 years, because of age. In Massachusetts and Pennsylvania similar bans on discrimination because of age were incorporated into their Legislation.

Following the slogan of 'Humanity First', Mr. Speaker, this Government has extended many of its employees beyond the age of 65, where they have been able to do the work, and especially if they have no pension or only a small pension coming to them. Many business firms do the same, and they are to be commended. Disabled persons, too, should be given at least an even break, and even by given preferences in jobs they are able to do.

I have something of interest here, I think, in regard to the Regina Trades and Labour Council, which recently held its 50th anniversary and presented three of its members, Mr. William Cocks of the Painters' Union, Mr. Tom Molloy of the Printers' Union (at one time Deputy Minister of Labour in a previous Government) and Mr. J.D. Simpson, of the Carpenters' Union, with

with life memberships, they being the only local residents now living in Regina who were members of this Labour Council when it got its charter away back in 1907. Mr. Ralph Heseltine was also presented with a life membership, but he hasn't quite the 50 years in, in Regina. It was interesting to know, Mr. Speaker, that these men and their colleagues, 45 to 50 years ago, promoted the idea of public ownership in telephones and power and street railway transportation, all three of which we now enjoy in this province. I understand they had quite a fight on their hands in the street railway problem with the "Regina Standard", a newspaper of that day, being definitely in favour of private ownership, and did everything to block the forming of a city-owned transportation system. However, by delegations and public meetings a favourable opinion was created and the transportation company owned by the people themselves was started, first with streetcars, but now, of course, entirely with buses. A great deal of credit can be given these men, Mr. Speaker, not only those who reside in this city, or did reside here, but their counterparts elsewhere, for their views and actions on public ownership in the early years of this province.

I wish now, Mr. Speaker, to draw your attention to a news item which appeared in the 'Leader-Post' on February 7, just a little more than a month ago. This is particularly interesting because of the talk about the safety angle during the nine days the C.P.R. cased to operate in January. While the news item does not elaborate, the Canadian, their fast train, struck a freight transportation crossing in front of it on another line at Portage la Prairie, 15 cars from the engine. Fortunately it didn't hit the 11th car which was a carload of dynamite. The rails have been removed from many of these crossings in the interests of economy or automation if you like – and the employees' positions abolished. So now the first train which approaches one of these diamond crossings automatically places the signal against traffic coming toward it at right angles. One might ask how such an accident could happen, with the signals so plainly indicating 'Stop', and it is hard to understand. But at the same time they do happen occasionally. Had there been a fireman in the locomotive at the time, no doubt he would have seen the signals; but he was back in the second unit making some minor repairs. Automation on railways has gradually moved ahead over the past years, resulting in tremendous savings, and employees do not oppose it, but economizing to the extent of gambling with the safety of the travelling public in the interest of cutting down expenses is not automation.

A news item dated February 28 is headed: 'Train Rams Into Truck'. This was the fast coast-to-coast train of the Canadian National which, a few days ago, struck a tractor-trailer near Ottawa and had nine cars derailed. The vehicle had not observed a stop sign. Fortunately, personal injuries were not severe, although the damage was almost a million dollars, which will no doubt be paid by the trucking company.

We have been remarkably free of strikes in this province, Mr. Speaker, especially during the past year. Outside the one on the C.P.R. in January, we had only four minor strikes here. I realize a lot of feeling against the locomotive firemen's and enginemen's union was created before and during the first part of the work stoppage. Large full-page advertisements which must have cost the railway tremendous sums of money, were placed in almost every newspaper in Canada with a view toward moulding public opinion in favour of the Company and against the employees. It had its effect, too, and many I know in this city who have a labour viewpoint, later called me up and said that, until they had seen my statement in the paper, they have been inclined to go along with the Company's position. I am afraid that many farmers, too, were misled by this one-sided publicity, and were led to believe that if the firemen's positions were abolished, somehow or other there would be lower freight rates.

I would like to take a moment, Mr. Speaker, to go into the history of this unfortunate incident, where a great transportation company, serving hundreds of thousands of people came to a full stop for nine days. The many customers of this railway were inconvenienced in one way or another, and thousands were thrown out of work. On February 28, 1956 all 140 railways in the United States, and the two in Canada, served notice on the Brotherhood of Locomotive Firemen and Enginemen, that after a certain date firemen would be no longer required. In fact here is the exact wording, and I will quote it:

"Eliminate all agreements, rules, regulations, interpretations or practices, however established, which require the employment or use of firemen (helpers) on other than steam power, and establish a rule to provide that the Company shall have the unrestricted right to determine when and if a fireman (helper) shall be used on other than steam power."

Over a period of months, while negotiations were going on, all 140 railways in the States, and the Canadian National Railway in Canada, abandoned the idea of abolishing the firemen's positions, and signed their new agreements in the usual way, but not so the Canadian Pacific Railway. They persisted in their attempt to force the employees to abolish the firemen on all but passenger trains, although they did sugar the pill by claiming that no fireman with more than three year's seniority would be forced out of work. Out of 142 railways in the United States and Canada, it appeared that 141 were out of step with the C.P.R. and this railroad ceased to operate on 2nd January. Almost immediately practically the entire press of Canada rushed in to vilify the employees and uphold the railways' official stand. Senator Roebuck, the firemen's nominee on the conciliation board, held some time before that, had previously written an excellent minority report which was either sup-

pressed by the newspapers, or partially printed on the back of pages. Editorials, letters to the editor were printed and all the time the employees were taking quite a beating as far as publicity was concerned. Some papers wept crocodile tears for the poor farmers unable to market wheat for this nine days, but the fact that this same wheat had been lying on their farms in storage for two or even three years without a market did not seem to matter. The press also passively condoned the fact that the C.P.R. was willing to act as a guinea-pig for the other 140 railways on this continent by forcing a strike. However, the road is now back into operation with full engine crews, and the issue will be decided sometime this fall.

I have two or three more clippings here, Mr. Speaker; I will go through them as quickly as I can. There is one here from the 'Moose Jaw Times' of February 16, a letter from a Mr. Beggs, which I thought was very good, and I will read part of it. It's headed 'Data on Foreign Control C.P.R. System', and he says:

"According to Moody's Transportation Manual for 1956, this is the breakdown on C.P.R. ownership: Preferred stock: 96.19 per cent of the total held in the United Kingdom or other British hands; less than 1 per cent held in Canada. Common stock: only 20.15 per cent held in Canada, 43.9 peer cent in the United States, 24.90 per cent in the United Kingdom, and 11 per cent elsewhere."

That was in answer to the cry of dictation which came from some of the papers to the effect that the firemen's organization was dominated from their head office in Cleveland, regarding which nothing could be further from the truth.

Then, we have from last night's 'Leader-Post' an article on page 14, 'Oil Income Adds to C.P.R. Earnings'. I will read just part of that:

"Income from oil rights and land rentals helped swell the net profit of the C.P.R. to \$55,617,000 for the fiscal year ending December 31, 1956, an increase of almost \$11,600,000 over 1955. That was reported in a preliminary statement today by Mr. N.R. Crump.

"The net profit works out to \$3.77 a share compared with \$2.95 in 1955.

"The financial report says the income from oil rights and land rentals was \$9,268,121. After provision of applicable income taxes, this added \$5,300,000 to 'other income'.

March 14, 1957

"Steamship operations earnings were \$3,843,340. Income from dividends, mainly from the Consolidated Mining and Smelting Co . . . Net income from hotels, communications, and so forth . . ."

I haven't time to read all the figures, but I don't think the C.P.R. is going to go bankrupt for a few days anyway.

I come now to my last article here which appeared in the 'Moose Jaw Times' on February 19. It is headed 'Nationalized C.P.R. Urged by Farmers', dated from Ottawa, Canadian Press:

"The Government was urged today to nationalize the Canadian Pacific Railway and to provide a vast program of aid for Canadian farmers. Yet a Provincial Farm Union Council in its annual submission to the Cabinet called for parity prices, a national food bank for surplus food disposal, extended long-term credit for farmers, increased payments for crop failure, a soil bank program and restriction on food imports.

"On the privately owned C.P.R., the council which draws its main strength from prairie farmer unions, said the railway openly defied the Federal Transport Controller when he called for more boxcars in the spring of 1956, and that it has been demanding upward revision of long-established low freight rates on prairie grain for export.

"This criticism of the C.P.R. has been further aggravated by the recent railway strike for which neither the railway nor labour received much sympathy from the farmers."

Well, I hope now that the farmers who may get to know what I have said this afternoon, will not think too badly of the employees.

It is my opinion, Mr. Speaker, that if the Board of Directors of the C.P.R. or their higher officials, cannot operate that railroad without driving a portion of their employees into strike action, followed by apparent unconcern for the transportation needs of hundreds of thousands of people who live on their lines, if they will not provide the farmers of the prairie provinces with enough boxcars to move their grain, then it might be better for the Dominion Government to take over the railroad, pay the stockholders a fair price for their shares, and operate it for the benefit of the people of Canada.

I said I was going to come back to microwave, Mr. Speaker, and I have a little information here which I think will be of considerable interest to the members of this House. The Saskatchewan section of the microwave radio relay system which is being built across Canada to improve television programs and long-distance service will go into operation sometime in 1957, I think sometime this spring. It should be understood, however, that the new microwave system will not extend the field of vision beyond what it is now, but it will provide live telecasts from the east and later on from the west. It will also provide up to 600 long distance circuits on one channel in comparison with the present system, whereby 16 calls can be carried simultaneously on one pair of wires.

Perhaps I should take a few minutes to speak about the microwave transmission, which is one of the most recent developments in the communications field, the importance of which has been compared to the building of the first railway or the first telephone system across the country. Microwaves are super-high-frequency radio waves oscillating in the range between three and 10 billion cycles a second. Because of the extreme short-wave-length, these microwaves have many of the characteristics of light, and like light, they travel in straight lines, and once over the horizon tend to shoot off into the unknown. This requires the use of relay points which are 25 to 30 miles apart on the average. Microwaves can be focused into a beam like the light of a searchlight, and the energy from a transmitter can be concentrated and aimed directly at a particular receiver, rather than being scattered in all directions. These microwaves by the way, travel at the same speed as light, 186,000 miles a second. Because the curvature of the earth must be taken into account in finding straight paths for these waves, elevated sites such as hill-tops are desirable, and towers are required some 50 to 200 feet in height, although I believe there is one as high as 850 feet. The antenna focuses the microwaves into a beam, only two degrees wide, aimed directly at the next tower in the chain. I thought this was most interesting, Mr. Speaker, - only two degrees wide are these beams, and so efficient is the antenna that less than one watt of power (that is about the amount needed to operate a flashlight bulb) is needed to span the distance between the stations. Some 50 million watts would be required if a none-directional antenna were used.

At the reception end of the network, further equipment reduces the telephone conversation or television programs back to their original frequencies, and they are fed to their outlets by cable, which is either the telephone receiver in the case of long-distance, or the television station for television programs. In the case of telephone messages which can number hundreds on each channel, electrical filters separate each individual voice circuit. For the TV program, another step is required. As the image reaches its ultimate journey, it must be accompanied by the audio portion; that is, the voice, or music, or discharge of firearms or the groans of the wrestlers, or whatever it may happen to be. Technicians at the control centre co-ordinate the two parts of the program and the picture and sound are delivered together by a cable to be broadcast.

Construction of this overall system will cost between \$50 and \$60 million. The basic network will include 137 relay points and will stretch 3,800 from the Atlantic to the Pacific to make the longest single microwave system in the world. That is all I will say about the microwave. I found the information very interesting.

I will come now to the office of the Fire Commissioner, and we find that Saskatchewan's fire loss for the calendar year of 1956 amounted to approximately \$2 1/2 million. This figure represents a reduction of over \$3 million on the previous year's fire loss of \$5,902,000. Of course, we had two very large fires during the previous year. The latest report issued by the Dominion Fire Commissioner is for the year 1954. This report showed Saskatchewan with a 10-year per capita fire loss of \$2.79, and a five-year per capita loss of \$3.37. These are the lowest of any province in Canada. Manitoba followed with a 10-year per capita fire loss of \$3.71, and a five-year loss of \$4.66. Fire continues to take a toll, a tragic toll, of human life, and in the province of Saskatchewan during 1955, 30 persons perished in fires, 16 of whom were children. Twenty-eight of the 30 died as the result of fires in private dwellings.

There was a substantial reduction in the number of lives lost through fire in 1956, the total being reduced to 14, two of whom were children. Smokers' carelessness continues to be the leading cause of fires in this province, and in fact all over the North American continent, followed by stoves, furnaces and heaters. Electricity is third, and I am alarmed about that, because I know a lot of the work done in this province in the last seven or eight years has been done by inexperienced people, and they may have hazards in their homes they do not know about. Chimneys and flues are fourth. Fire strikes the private home more often than any other type. Of 2,000 fires reported in 1955, some 1,345 were in private homes. Most of these fires would not have taken place if the owners had maintained their premises in accordance with the recommendations of the Fire Prevention program.

Another very important division of this office is the Firemen's Training Program. In co-operation with Civil Defence authorities, we are conducting an average of 40 fire-fighting training courses each year. Through these courses the volunteer firemen in the smaller municipalities are given an opportunity to learn how to properly fight fires.

Another important division is fire investigation, which is in conjunction with the Fire Inspectors, to determine the cause, origin and circumstances of fires which occur in this province. As a result of these investigations during the year 1955, there were five convictions for arson.

Sale, maintenance and operation of oil burners in the province of Saskatchewan are controlled by a regulation under The Fire Prevention Act, but this should be mentioned here today, because we see quite a number of these fires throughout the province, and some of them have been fatal. This

regulation permits the Department to licence wholesale distributors, retail vendors and oil-burner installers. Oil-burner inspections are carried out by Fire Inspectors and personnel of the larger municipal fire departments. Our district Inspector spot-checks three installations of every licence installer in each town, village or hamlet, which he inspects. During this year, 1,500 such inspections were made and in 202 cases changes had to be made. This, in our opinion, is quite a small percentage. We believe that our present method of controlling the sale and installation of oil-burning equipment is quite adequate. Since 1946, we have a record of approximately 90,000 oil burners having been installed in this province. Fire loss statistics indicate we average approximately 60 oil-burner fires a year. Of these, 60, 75 per cent were caused by space heaters. These space-heater fires are usually caused by careless operation or maintenance and not by poor installation. Therefore, increased inspection of this particular type of heating appliance would not substantially alter fire-loss statistics.

I will briefly mention the Theatres Branch which will require \$30,500 for the coming year. Our inspectors made 1,204 inspections of public halls and theatres last year, and the total revenue derived was \$36,997. It is important in such places where the public gather that fire hazards be kept to a minimum, and there were only seven fires in such places, the small number being due to the rigid inspection provided.

Our Film Censor in Winnipeg rejected six films, last year, and cut approximately 1,594 feet of undesirable dialogue or scenes in 12 pictures. A recent picture "Baby Doll" did cause us some concern a few weeks ago. The League of Decency in California, which is a splendid Catholic organization, has disapproved of it, although, strangely enough, it was passed in the province of Quebec, with some eliminations. It was rejected entirely in three Canadian provinces, but our censors in Winnipeg passed it with some eliminations, but was willing to call the picture in for review, if we received any unusual complaints. On the strength of advance publicity, several church groups wrote me about the film, but only one person who had actually seen it made any protest. Such publicity does arouse a certain amount of curiosity. The first day it was shown here brought a capacity crowd, mostly men so I am told. However the picture turned out to be rather sordid, or a rather ugly story about poor white and coloured people in the deep south, and something about a mill being set on fire. That seemed to be the main part of the story. It was rather a depressing picture, and the attendance soon fell off, and nothing has been heard of it for some time. We seldom get any complaints from the public in regard to motion pictures, but we do welcome any suggestions or criticisms.

I have a brief report here as far as the Apprenticeship branch is concerned. The past few years has shown a steady increase of apprentices, the number having increased from 592 at April 1, 1953 to 1,139 at March 4 of this year. The number attending school has increased from 372 during last fiscal year, to an estimated 675 students during the present fiscal year. Here they are by trades – and I will go over them very quickly: motor vehicle

repair, 305 (that is the largest); plumbing, 118; carpentry, 155; electrical, 143; motor vehicle body repair, 54; sheet metal work, 81; welding (both electrical and gas), 45; bricklaying, 51; painting, 22; barbering, 23; beauty culture, 58; making a total of 1,162. We have auto body repair and welding trades presently being conducted in the Moose Jaw Technical School. The school is doing very well despite the fact it is overcrowded. It is anticipated that, in the not too distant future, this group will be moved to Saskatoon. In May, 1955, it became compulsory, on a province-wide basis, for persons engaged in the motor vehicle mechanics repair, barbering and beauty culture trades to hold valid certificates. By means of an extensive program and examinations in these trades, we have almost caught up with the increased examination requirements.

An extensive program of training in gas installation has been carried on during the past year in Moose Jaw, Regina, North Battleford, Weyburn, and Yorkton, with a total enrolment of 197. Further classes are scheduled at Swift Current and Regina, during the next few weeks. This procedure provides quicker and safer installation when a community changes over to gas on a large scale, by having enough experienced installers available when the time comes.

I have something here now on the Electrical Branch. During the year under review a total of 109 fires were attributed to the use of electricity, which were reported to this branch by the Fire Commissioner; 79 of these fires were caused by the overloading of circuits, and plugging in too many extensions on one outlet. Many of you have seen the Power Corporation's film on TV each Sunday and will recall the plugging in of half-a-dozen appliances – the radio, lamps, TV, clocks and so forth – all on one outlet. The circuit then becomes overloaded, and the wires are heated to an almost red-hot state, which obviously creates an element of danger. There were 53 of these fires last year attributed to the overloading of circuits. We had seven prosecutions for offences under The Electrical Inspection Act. Six persons were prosecuted for wiring without an appropriate contractor's licence, and one contractor for having unlicensed persons perform electrical work without the supervision of a licensed journeyman. Convictions were obtained in all cases.

While inspection is being given to farm installations for electrical power when it is first installed, our records indicate that many farmers are not reporting work done afterwards. Reports from electrical contractors state that, after the inspector has been through the district, at least 50 per cent of the farmers purchase electrical equipment through the retail or mail order stores and either try to install it themselves, or have some unlicensed person to it. By not reporting work done to the branch, improper or faulty installations are not checked, which is another dangerous practice. Unofficial information indicates that this practice has already resulted in loss of life and livestock through shock and electric fires. This may continue or get worse. The owner's permit privilege is being abused by other persons

doing the work for the owner; that is, persons who have failed in their electrical examinations, or persons who are sort of handymen in the district. In such cases the owner is held responsible for the electrical installation if it does not pass inspection, and, what is worse, may have fire hazards in his home that he knows nothing about. In addition, he is not in a position to make the unlicensed persons correct faulty work. The total revenue for the fiscal year 1955-56 was \$232,449; expenditures \$171,000.

We will take just a moment on gas inspection which is something that is uppermost in our minds these days, especially in this part of the province. All new gas installations are inspected as are additions and alterations in equipment on consumer's property, including liquefied petroleum installations, which must be reported to the Branch for inspection. Under the provisions of this Act, all these new gas installations together with additions and alterations must be reported to the Branch for inspection, where, if installations create a hazard or potential hazard, it is required they be brought up to the provincial standard within a specified time. I think perhaps that is all I need to say on gas. I would just like to add this brief remark, with the advent of the Trans-Canada Pipe Line, plans are being made to provide gasfitters and gas contractors in the city of Regina and rural points concerned so that no delay will be experienced when additional systems are commenced.

I have something here on the Boiler Pressure and Elevators Branch, but I don't think I will go into that today.

I am going to just briefly mention the merger between the Trades and Labour Congress and the Canadian Congress of Labour which took place in Toronto, towards the end of April, 1956. I was privileged, along with the Ministers of Labour from British Columbia, Alberta, Ontario and Newfoundland, together with the Hon. Mr. Gregg, the Federal Minister of Labour, to attend this conference. An historic occasion, I think we could call it. It was held at the Canadian National Exhibition building, and was attended by 1,620 delegates from 1,380 organizations, representing more than a million workers, the largest membership of any secular body in Canada. Since that time, the two groups have proceeded with the formalities of amalgamation province by province, and are now united under the name of the Canadian Congress of Labour, with Mr. Claude Jodoin as President, and their headquarters at Ottawa. Instead of two Congresses competing against each other as had been the case for many years, labour will not be able to speak with one voice for the benefit of their entire membership.

Just a word now in connection with winter employment. The Provincial Government has been concerned with seasonal unemployment, mainly caused in Saskatchewan by our winter weather. Just as regularly as night follows day, Mr. Speaker, we have this seasonal unemployment commencing every fall. The Department of Labour, this winter, assisted the Regina Labour Employment Council by supplying the part-time services of two members of the staff. This Committee, by the way, had the active support of the Provincial Government, the National Employment Service, the Regina Employers' Association,

the Chamber of Commerce, representatives from all religious groups, and the Canadian Labour Congress. One of the members I referred to just a moment ago, acted as publicity manager to the Council and assisted in sparking a community effort to combat seasonal unemployment by asking householders and businessmen to undertake necessary repairs and reservations to their quarters under the slogan of "Do It Now". It has received a good deal of publicity, and I think we all know about it. Contractors, retail merchants and organized labour have indicated that they consider that this campaign has been successful in helping to maintain business activities and curtail unemployment. It has provided work for quite a number of tradesmen; who had been idle for a number of months. Just a few days ago I received a letter from Mr. Leyton Robinson, manager of the National Employment Service in this city, dated February 27, address to myself. Here is what he said:

"Another winter employment campaign has just about been completed. With your wholehearted assistance this campaign has been the most successful ever put on in Saskatchewan. We feel that every man, woman and child that can read, hear or see, has been made aware of the tremendous impact of winter employment. The work of the entire Committee, the sub-committees, and each organization connected with the campaign has been outstanding. Please accept on behalf of the National Employment Service our sincere thanks for your co-operation."

And it is signed Mr. Leyton Robinson, Manager of the N.E.S.

Now, Mr. Speaker, in closing I would just like to say a few words about my own constituency, Regina City, which I have had the honour to represent in this Legislature, along with the Provincial Treasurer, for the first eight year, and with Mrs. Cooper for the last four years, and I appreciate the confidence shown me by the electorate last June. As I indicated at that time, I will serve to the best of my ability in this Legislature. The city of Regina has grown tremendously during the past 10 or 12 years and has been fortunate in having a number of fine public and commercial buildings erected, many of them down in the business section. The population has increased from 60,246 in 1946 to an estimated 88,797 in the June, 1956 census, and there is no let-up, no sign of any let-up, in the building of homes. It is also estimated that by the end of the century, the city will be built solidly to the turn of No. 1 Highway, now south of these buildings, but I am afraid not many of us will be around at that time, Mr. Speaker; perhaps the hon. member from Souris-Estevan (Mr. Thorson) will be just about retiring at that time from active political life. It is also estimated that the residential area will grow in other directions, not only towards the south, but expand to the northwest, and northwest. It is hard to say what will happen. Sometimes it is rather difficult to know where so many people are coming from. We do know, of course, that many farmers from the fertile plains around Regina do move into the city, and we make them most welcome. Also industry is locating here in an increasing volume, and, needless to say, is also quite welcome.

Their payrolls add to the making of a better community. Oil has also had its effect, and we look forward to further developments in this field with additional benefits to our city, which we hope to see become the oil centre of Saskatchewan. The Civic Centre is being developed, and it is gratifying to note that the old Victoria School, which has been there for approximately 45 years, will be replaced by a modern and up-to-date school four or five blocks to the west. The present site will be used for the new Y.M.C.A. building in the near future, and a new Court House at a later date. I find it a pleasure to represent such a progressive community in this Legislature. And, Mr. Speaker, I will support the Budget.

Mr. F.E. Foley (Turtleford): — Mr. Speaker, in rising to participate in the debate on the budget, I would first like to register some of my reactions to words spoken this afternoon by former speakers.

After listening to the hon. Minister of Public Health (Hon. Mr. Erb), particularly to some of his rapid ending statements, I was minded to try and write something down myself, which would have about the same degree of comprehension. Now this may not be the best English in the world, but this is what I wrote:

“This was another addition to the conglomeration of outrageously incomprehensible and utterly contumelious statements heard from the Government in this House during the Budget debate.”

Hon. Mr. Erb: — How long did it take to figure that one out?

Mr. Foley: — Well, at least I can say I wrote it myself. I don’t know, but Mr. Stone walked out there a while ago; maybe found the remarks of the hon. Minister a little hard to understand. Nevertheless, the hon. Minister did make some remarkable statements. First, he paid compliments to the Minister of Public Health and he said to the “first Minister of Public Health”, referring no doubt to the hon. Premier. I think it only right that he should have mentioned the Hon. John Uhrich, the Hon. Fred Munroe, who served between the years of 1923 to 1944 in that capacity, and I think did a commendable job.

I am sure the hon. members opposite are familiar with the report made by Dr. Sigerist, in which he stated that, when the C.C.F. Government came into power in 1944 the province of Saskatchewan had one of the finest groups of municipal health units on this continent. The Minister completely disregarded the import of that report. Here again, we have an example in the field of public health where apparently nothing ever took place before 1944. Saskatchewan is the only area in the world, the hon. Minister said, that has all the competent psychiatrists it needs. There is a remarkable statement, Mr. Speaker, . . .

Hon. Mr. Erb: — Dr. Menninger said it.

Mr. Foley: — . . . I challenge the hon. Minister, in the next few days, to give us some figures to back up that statement.

Hon. Mr. Brockelbank (Minister of Mineral Resources): — After you make this speech, we will be sure we need one more.

Mr. Foley: — Thank you very much. I appreciate that remark.

Now, I would like to point out a fact or two in rebuttal to the hon. Minister's statement that for every hospital bill in Saskatchewan, 20 per cent of that money comes from Ottawa, 20 per cent from our Provincial Treasury, approximately and the rest from the Saskatchewan taxpayers. In view of this, I would like also to point out to the hon. Minister that national grants to the hospitalisation and health scheme in this province, have been a considerable amount of money. Between the years 1948 and 1955, the Federal Government allotted \$14 ½ million for health in this province, and in that same period of time, according to the figures here, the amount expended by the Provincial Government was only \$11 ½ million, which means some \$3 million which should have been spent for health in the province of Saskatchewan in those years was apparently used in other ways.

I would like to point out that, in the years 1954-55, the Government of this province received over \$2 million from the Federal Government for tuberculosis control, crippled children, hospital construction, mental health and so on. Now that is only one way. The Government's contribution over a period of years has been considerable in the field of mental health. I would like to point out also who built many of our fine public health buildings, in this province; who built our sanatoriums, some of our mental hospitals. I think the hon. Minister will admit that many of these buildings were here before 1944, and many of these buildings were a distinct credit to previous Ministers of Health in this province.

I am sure that speakers following myself will have more to say about the history of health and health services in this province. I sincerely hope that they do present a true and unprejudiced picture of the history of health in this province. The hon. member from Arm River (Mr. Danielson), I think yesterday, read a letter which apparently wasn't very flattering to the hon. Minister of Health. I wondered what replies were made to this letter. The challenge was made yesterday, and I think it is worth repeating today. The Minister did not, I feel, answer these charges forthrightly.

Hon. Mr. Erb: — You weren't listening.

Mr. Foley: — Surely, if these charges are true, then immediate action should be taken.

Hon. Mr. Erb: — They are not true.

Mr. Foley: — If these charges as the Minister says are not true, then let him stand up and say they are not true. I am very much afraid . . .

Hon. Mr. Erb: — Obviously he wasn't listening.

Mr. Foley: — I don't think the Minister made any such positive statement. I don't think the Minister denied, in any plain language at least, these statements.

Hon. Mr. Erb: — Mr. Speaker, on a point of privilege. I commented on every point that was raised in the letter than the hon. member for Arm River read to us yesterday. If the hon. member for Turtleford had been listening he would have known that I had discussed every point, and showed how it was erroneous.

Mr. Danielson: — Mr. Speaker, he commented.

Mr. Foley: — Well, I would appreciate, Mr. Speaker, language which we in the Opposition possibly could understand.

Premier Douglas: — That's unparliamentary.

Mr. Foley: — I listened quite carefully to the hon. Minister and I did not get the impression that he categorically denied the statements. He denied little bits here and there.

Mr. Danielson: — He excused himself.

Mr. Foley: — I believe that, if this statement is true, every member in this Assembly would be interested in seeing that improvements are made in the shortest possible time.

Mrs. J.E. Cooper (Regina City): — Would the hon. member permit a question? Has he ever visited the hospitals in Weyburn or North Battleford?

Mr. Foley: — Mr. Speaker, I don't think that question has any bearing on my remarks.

Premier Douglas: — No, no, of course!

Mr. Foley: — I have not . . .

Mr. Willis (Elrose): — On what authority are you speaking?

March 14, 1957

Mr. Foley: — . . . but I must attach some importance to a letter of this nature.

Premier Douglas: — Yes, I am sure. Every letter you read . . .

Mr. Foley: — I am sure the hon. member from Arm River, and I am sure every member in this Assembly, did not push the letter lightly aside. I didn't make any statement as to whether or not I thought the remarks were true, I merely asked the Minister to give us a direct answer on that matter.

Premier Douglas: — Well, he gave it to you.

Mr. Foley: — Now, we are getting rather used, on this side of the House, to rather remarkable, loosely-made statements on the part of members of this Government. I would like to quote from remarks made during the Budget address by the hon. Minister of the Power Corporation (Hon. Mr. Brown) who is not in his seat at the moment, I regret to say. He said:

“The loose and irresponsible attacks on the Power Corporation were the result of the ignorance of cold, hard indisputable facts by members on this side of the House.”

That is what he said, Mr. Speaker. Then he goes on to say:

“We are not prepared to jeopardize the Power Corporation for selfish political purposes.” (That was another statement).

And finally he said:

“Manitoba was finding it not a sound policy to connect farms with electricity . . .”

Mr. McDonald (Leader of the Opposition): — Rubbish!

Mr. Foley: — . . . without making construction charges, and today more farms were being disconnected than connected to the system.”

Mr. Speaker, those were statements made by the hon. Minister of the Corporation, as reported in the newspaper. I was here for all of the Minister's address and they are in accord with what I heard. Now I see the Minister has come in, and in all fairness, I think I should repeat that remark. The hon. Minister of the Power Corporation said this:

“The loose and irresponsible attacks on the Power Corporation were the result of the ignorance of cold, hard indisputable facts by members on this side of the House.”

He went on to say:

“We are not prepared to jeopardize the Power Corporation for selfish political purposes.”

And then he wound up with a few supposedly hard and indisputable facts of his own and said:

“Manitoba was finding that it was not a sound policy to connect farms with electricity, without making construction charges, and today more farms were being disconnected than connected to the system.”

It was also interesting to note that at the very time the hon. Minister of the Power Corporation was making those remarks, it was also reported (I believe in yesterday's Leader-Post) that Mr. Cass-Beggs and a seven-man delegation from the Power Corporation met with the Winnipeg Hydro in an attempt to set up some system of inter-provincial power that would be of assistance to both provinces. After the remarks made by the hon. Minister of the Power Corporation, “his cold, hard indisputable facts”, as he said, this is what the Manitoba Power Commission replied, in yesterday's issue of 'The Leader-Post':

Mr. McDonald: — Read it all.

Mr. Foley: — Do you think I should? May I read it all?

Mr. Danielson: — Sure!

Mr. Foley: — It's not very long:

“A Manitoba Power Commission spokesman Wednesday denied charges made in the Saskatchewan Legislature that more farms in Manitoba are being disconnected then added to the power system.

“Mr. Brown said Manitoba was find out ‘providing farm connections without construction charges to the farmers is not a sound policy.’”

“He said that in 1956 the service was dismantled and the equipment salvaged from 193 farms, but (in the same period) 806 farms were connected to the system.”

Indisputable, cold hard facts.

Hon. Mr. Brown (Provincial Secretary): — Mr. Speaker, on a point of privilege. I am quite prepared to correct an error which I made in my speech the other day. I apparently said that, last year, (1956) and I am quite prepared to admit that that was not

correct. What I should have said was that the information we had available on the previous year, 1955, indicated that that I said was correct at that time. If I was wrong, which I apparently was as far as last year is concerned, I am quite prepared to retract it.

Mr. McDonald: — You are wrong on the year before, too.

Mr. Foley: — Mr. Speaker, . . .

Hon. Mr. Brown: — Well, at least I was only wrong on one, instead of all of them.

Mr. Foley: — . . . I would like to go on just a little further.

Hon. Mr. Brown: — And by the way, Mr. Speaker, the indisputable fact I was talking about, was with regard to . . .

Mr. Foley: — Mr. Speaker, I believe I have given the hon. gentleman certain privileges . . .

Premier Douglas: — You don't give anybody privileges. Mr. Speaker, gives them, and the rules give the privileges, not you.

Mr. Foley: — "He said there have been so few connections because the job is almost completed in Manitoba. Power now is connected or available to nearly every farmer in the province.

"There is no relation, therefore, between the disconnections and the connections, he said. Connections were made only on the few farms which remained to be done, while disconnections could be made of any of the about 44,000 farms already connected.

"In theory, he said, (and he agreed here), a point could be reached at which no connections would be made in any one year while several farms were disconnected."

Now, Mr. Speaker, I submit that such statements by a Minister of this Government could certainly jeopardize what we hope are good relations between the province of Manitoba and ourselves, and could certainly jeopardize the mutual help which our two provinces could give to one another in terms of power. I submit that when the Minister makes the statement, "we were not prepared to jeopardize the Saskatchewan Power Corporation for selfish political purposes", I wonder how much attention we can pay to that remark in the light of a remark, which I just mentioned.

Now, more on this matter of power. The question was asked, and I am sure has been asked a number of times in this Assembly, why did this Government change its policy on the distribution of gas, from the policy which it used to distribute hydro-electric power?

Hon. Mr. Brown: — We would explain that if we thought you could understand it.

Mr. Foley: — I and I am sure, many of my colleagues agree this question has never been successfully or satisfactorily answered in this Assembly.

Hon. Mr. Brown: — You wouldn't understand it if we did.

Mr. Foley: — Well possibly someone here would understand it.

Hon. Mr. Brown: — We have been trying to make you fellows over there understand it for years.

Mr. Foley: — I can assure you, Mr. Speaker, that we work along from day to day, and I think on the whole we understand a surprisingly considerable amount of what is said by this Government.

Why was the gas distribution system not set up? Why did this Government charge the farmers of Saskatchewan such exorbitant rates for power connection?

Hon. Mr. Erb: — How ridiculous can you get.

Mr. Foley: — I think the facts have been well gone over in this case. In spite of all the attempts made by the hon. Minister of the Corporation to justify the method used for power installations in this province, the fact remains, Mr. Speaker, that the farmers in Manitoba got the power for \$65 per installation . . .

Hon. Mr. Nollet (Minister of Agriculture): — He goes to Manitoba now.

Mr. Foley: — . . . while the farmers in Saskatchewan had to pay in the neighbourhood of \$600 for the power brought to their yards, and before they were finished, in many cases, getting a few appliances to make the power feasible, it cost in the neighbourhood of \$1,500 to \$2,000.

Hon. Mr. Nollet: — Just go across to Alberta . . .

Mr. Loptson: — The C.C.F. probably put it in for nothing . . .

Mr. Danielson: — No wonder you are sympathizing with the farmers.

Mr. Speaker: — Order! Will the hon. gentlemen stop this crossfire.

March 14, 1957

Mr. Foley: — Well, I don't mind really, Mr. Speaker.

Mr. Speaker: — I mind.

Mr. Foley: — I was going to say that it indicates . . .

Mr. Loptson: — The Premier started it.

Mr. Foley: — . . . that we have raised a question which apparently they still are not prepared to answer with any degree of accuracy.

Now, when we talk about rates of electricity to the farmers, and when we talk about the installation charges of rural electrification, in all cases we must invariably come to the conclusion that the rural subscribers are paying a great deal more than the urban subscribers. The fact remains that you can move into one of our urban centres and receive the power for a \$3 meter deposit; whereas the farmer still has a considerable cash outlay. I asked the question before and I will mention it again, there are a great number of farms in this province today where the power lines are within a few rods of the house, where the people residing in those homes need power, want power, but simply cannot afford power, under the policies of this Government. Now is that 'Humanity First'?

Mr. Cameron: — It's the dollar first.

Mr. Foley: — It is all very well for the gentlemen opposite to suggest that the financial structure of this province is such that electrification without initial cost is not feasible. In fact, it is mighty discomforting to hear Ministers of the Crown suggest that we had a difficult time borrowing \$7 or \$8 million this year on the Canadian market, and that we are faced with the problem of securing around \$40 million from our good neighbours to the south; it is mighty discomforting, to hear them say . . .

Hon. Mr. Fines (Provincial Treasurer): — Mr. Speaker, may I point out that no one has ever made such an irresponsible statement. The statement is absolutely wrong.

Premier Douglas: — The hon. member only prepared to wake up periodically, and catch half sentences.

Mr. Foley: — Mr. Speaker, in the Budget address and in various reports which I have read in the papers I have been led to believe that this Government plans on borrowing \$50 million. The figure has been used in this House before, and I don't recollect anyone challenging it.

Hon. Mr. Fines: — Well, Mr. Speaker, may I challenge it now, then. The Budget statement is very clear. We have borrowed \$15 $\frac{3}{4}$ on the United States market this year. The balance of

the \$50 million will be all borrowed in Canada.

Mr. Foley: — Then I think, Mr. Speaker, that the hon. Provincial Treasurer should whisper in the ear of the hon. Minister of the Power Corporation, because that is not the implication that I got from his statement yesterday, or the day before.

Hon. Mr. Brown: — Mr. Speaker, on a point of privilege. I didn't make any reference at all to any money borrowed in Canada or the United States. All I referred to was \$39½ million for the Power Corporation.

Mr. Cameron: — You had your turn yesterday.

Mr. Foley: — Mr. Speaker, I have the remarks of the hon. Minister of the Power Corporation here, and he says this:

Mr. Speaker: — Order! The hon. Minister states that he did not make that statement. You can't dispute it for that quotation completely. You must accept that statement.

Mr. Foley: — Very well, Mr. Speaker, I will be glad to accept that statement. But nevertheless, in my own opinion, according to my own interpretation, it seems to me the hon. Minister said that to borrow \$20 million to pay back the farmers of this province would be laughed at, and considered a handout. He went on to say that it was extremely difficult to borrow \$39½ million to carry on the Corporation this year. Now possibly my memory doesn't serve me right. Finally he suggested that the borrowing powers of this province had been stretched to the absolute limit, and he felt that for that reason also, it would be impossible to repay the large capital outlay which the farmers of this province had made for power.

We on this side of the House feel that the financial structure of this province could have made it possible to provide power to the farmers without initial cost. It was on that understanding that we presented our platform to the people.

Premier Douglas: — And nobody bit on the bait.

Mr. Foley: — We felt at that time (and we have never had any reason to change our minds today) that it would have been feasible. We say if the province to the east of us can do it, then surely we can do it, and no amount of misrepresentation and . . .

Mr. Kramer (The Battlefords): — That's something you know all about.

Mr. Foley: — . . . juggling of facts and so on, can change our opinion in that respect. We feel that if this Government were to practise

'Humanity First', then ways and means could have been found to implement that program. Instead of that it was a little too late for this Government to do anything about power, in spite of the fact that I firmly believe many of the hon. gentlemen on the other side of the House agreed with us, it was a little too late. However, it wasn't too late, I submit, Mr. Speaker, for the Government of this province to realize the value and the work of the Liberal platform in this respect, and to implement our suggestions in their distribution of natural gas and I think we on this side of the House can take. . .

Hon. Mr. Brown: — Becoming a Socialist, eh?

Mr. Foley: — . . . credit for the more reasonable financial arrangements which were made in the distribution of natural gas in the province.

Mr. Brown (Bengough): — Just what is the difference?

Mr. Foley: — I understand that natural gas is piped into the homes of the subscribers for a very small amount. I think it is in the neighbourhood of . . .

Mr. Brown (Bengough): — Isn't that true of power in smaller centres?

Mr. Foley: — Not that I know of. It seems to me, then, that I some day would like to have the Minister of Statistics stand up and explain to us of the Opposition what were the real reasons for changing your policy on the distribution of natural gas? Did the fact that the larger urban centres reject the use of the Power Corporation have anything to do with it? Did the great amount of controversy in the larger urban centres over the natural gas contracts have anything to do with it? We will be very pleased to have you give us the true facts on this matter.

Now, Mr. Speaker, I was very interested in the overall Budget as brought down by the hon. Provincial Treasurer last week, and certainly there is much there for us to comprehend, and wonder. A total expenditure greater than has ever been made in the history of the province, the introduction of some new sources of revenue, the dropping of a few others, is certainly food for a great deal of thought. We have already heard some reactions to this Budget. We have, I believe, thanks to the hon. member from Pelly (Mr. Barrie), got our thinking straightened out a little bit, on just exactly how much money we owe around here. The fact that we owe over a quarter of a billion dollars is rather a staggering situation.

I know that the direct debt of the province is a figure not nearly so frightening, but I would like to associate myself with the hon. member from Arm River (Mr. Danielson) when he said that the hon. Provincial Treasurer has a uncanny knack of apparently making the statement true that 'the more he borrows, the less he owes'. I think the hon. member from Arm River hit the nail on the head. I would that I had his experience and his years, that I could use a few more of his remarkably descriptive statements and phrases.

There are certain sections of the Budget in which I was particularly interested, in light of the fact that the School Trustees' Association of the province have just completed their convention, and that the Saskatchewan Association of Rural Municipalities is nearing the end of their convention. While I wasn't privileged to attend the Provincial-Municipal Conference, I did receive, I think, copies of about every word that was either spoken or presented in the form of a brief, and have had no opportunity of looking through the vast majority of these. In light of that, I was rather interested to note the reference which the hon. Provincial Treasurer makes – and he says, in part:

"I was deeply impressed by the event . . . both the Premier and myself reaffirmed the Government's long-standing program of dealing local government in on the province's increasing revenues.

"Large as it is, the provincial transfers of about \$38 million may be looked upon as an interim emergency step. So far as our present and prospective revenues will permit, the Provincial Government is anxious to find a more fundamental solution to the problems of local administration. The primary purpose of the recent conference was to seek the co-operative support of local government itself in this endeavour."

Then, he went on to say, and this is on Page 10 of the Budget Speech:

"The fact is that our whole approach is based upon the conviction that local government has an immensely vital role to play in our broad and growing province."

The Provincial Treasurer went on to say:

". . . Legally speaking, local government units are creatures or instruments of the province. But their real and traditional importance as vehicles of democratic self-government far outweighs this mere legal status."

Now, in view of these remarks, Mr. Speaker, and in view of what little knowledge I have been able to obtain from the reports, I have been extremely interested in some of the results, not only of the Provincial-Municipal Conference, but also the results of the suggestions made by the Report of the Royal Commission, by the Britne Cronkite Report, and by the reaction of the various bodies who attended this Conference. I was a little taken aback when in (I believe it was) Tuesday's issue of the local newspaper, I was able to read a resume of remarks made to the convention of the Rural Municipalities by its President, Mr. Noble, when he made the following statement:

"I consider it most unfortunate that members of the Government had to resort to abuse and insulting remarks with reference to the ability and honesty of purpose of your executive, he said, adding that at one point the delegation had very nearly decided to walk out of the conference.

'Instead he had gone to Premier Douglas, and before the conference ended one Minister had apologized.'

Hon. Mr. Willis (Minister of Public Works): — What is he reading from now?

Mr. Foley: — I am quoting from 'The Leader-Post' as reported here, remarks attributed to the President of the Rural Municipal Association in Conference at Saskatoon.

Now, I was astounded.

Premier Douglas: — That's the third time you've been astounded in three minutes.

Mr. Foley: — Instead of laughing, Mr. Speaker, I suggest the hon. Premier might feel very, very concerned because I submit this is not the type of publicity which this Government, or any other Government wants, now or at any other time.

Premier Douglas: — But the Liberal candidate who gave it, he certainly wants it.

Mr. McDonald: — Do you deny it?

Premier Douglas: — I certainly deny it.

Mr. Foley: — I resent the implication, Mr. Speaker, that I made that remark to further his interest.

Premier Douglas: — Mr. Speaker, on a question of privilege. I am not referring to my hon. friend. I said the Liberal candidate who made the statement. I understand Mr. Noble is a Liberal candidate or aspiring to be one.

Mr. McDonald: — Mr. Speaker, on a point of privilege. I would ask the Premier to withdraw that statement. The gentleman in question is not a Liberal candidate, and surely to goodness the Premier of this province knows that.

Premier Douglas: — I said a Liberal candidate or aspiring to be one. Duff Noble clubs are being formed up in that part of the province.

Mr. Cameron: — Casting insinuations on the executive!

Premier Douglas: — Don't try to . . .

Mr. Cameron: — Oh, yes you are.

Mr. Speaker: — Order! I think it has been shown quite clearly at this time the problem of reading statements from persons who are not members of this Legislature, respecting actions of the Government. The initial statement perhaps was permissible, but to go on and read a long article or a report on a statement made by an individual who is not a member of the Legislature, I think there should be very little if any reference.

Mr. Foley: — I have just three more lines, Mr. Speaker. 'The Leader-Post' is also reported as having attributed this remark to Mr. Noble:

"Make no mistake, he told the delegates, every effort was made by every government department brief to convey the idea that the prisoners who were in the dock were the rural municipalities of Saskatchewan."

It seems to me that this is a very serious matter, because we are all awaiting, I am sure, with a great deal of interest the decision of this Association regarding the matter of municipal boundaries. I have here a copy of the summary of the Royal Commission on Agriculture and Rural Life, a summary of the recommendations. Among those recommendations it states, if I may be allowed to read just a few lines:

"That the reorganization of the present municipal system into the modified county or the full county system, as defined in this Report, be undertaken by the Government under the constitutional powers invested in it by the British North America Act."

That is the opinion of the Royal Commission on Agriculture and Rural Life.

I have here also a report of the opinion given by the Saskatchewan Teachers' Federation on this matter, and they state:

"The Saskatchewan Teachers' Federation believes that School Boards must be elected, and that the fiscal independence of School Boards be retained."

I have also, as I said, read quite a number of the reports given to the Provincial-Municipal Conference by Ministers of this Government, and I think I could be safe in saying, at least from my own interpretation, that the great majority of them were in favour of some changing or readjusting of municipal boundaries. It seems to me, Mr. Speaker, that this Government has devoted a great deal of time and money and energy to this matter. While I agree that

March 14, 1957

the eventual decision is certainly a weighty one and an important one, I feel that this Government has been somewhat amiss in the methods of arriving at this decision. How much money can the taxpayers be expected to pay for decisions in this province?

Hon. Mr. Brockelbank: — What decision are you talking about?

Mr. Foley: — I understand that the Report of the Royal Commission cost the province nearly a half-million dollars . . .

Hon. Mr. Bentley: — That's a report, not a decision.

Hon. Mr. Brockelbank: — Mr. Speaker, the hon. member said that he thought the Government had been amiss in arriving at this decision. Now I want to know what decision of the Government he is referring to?

Mr. Foley: — Mr. Speaker, I will try to clarify that for him. I am referring to the number of bodies that have in some way or another acted in the interest of the Government in this matter.

Hon. Mr. Brockelbank: — Is that a decision? What decision, though?

Mr. Gardiner: — You can make a speech tomorrow.

Hon. Mr. Brockelbank: — I sure can, and if I can't make it better than that, I will crawl in a hole.

Mr. Foley: — Just exactly what decision would this Government like in this matter? Would they like a form of remote centralized control of our rural municipalities?

Hon. Mr. Brockelbank: — Paint her up.

Mr. Foley: — Would they like that, in such a way, less and less freedom would be given to our rural people, that our rural people would be more and more remote from local government control? Just what decision would they like?

We can't help but feel that remote centralized control might possibly be in the interests of this Government in more ways than financial ways. If I may be permitted another very short quotation, Mr. Speaker, I have here a little newspaper clipping reporting the remarks made by the President of the Alberta Association of Municipal Districts to this same meeting, where he says:

“That Alberta municipalities are still looking for a better deal from their Provincial Government.”

Now, I don't know how much significance there is in that remark, but I think there is this about it, that, in Alberta, where municipal boundaries I understand, are different from our own, the problem of municipal finance is still an acute one, and I submit that this Government cannot wiggle away from under its financial responsibilities to the local government bodies of this province no matter what type of system they may attempt to encourage.

Hon. Mr. Kuziak: — You sure wiggled out when you were in.

Mr. Foley: — Now, then I have another interesting headline here, which states, 'aid to Municipalities Said to be a Provincial Strain'. This is attributed to the hon. Minister of Agriculture (Hon. Mr. Nollet), and he suggests that rural Saskatchewan is getting more and more difficult to finance.

Now, Mr. Speaker, regardless of what decisions are arrived at in this matter of local government boundaries, the fact still remains that this Government has the challenge to meet to provide more assistance to these local government bodies; and regardless of whether, in the words of the hon. Premier, "whether rural people agree with the Commission's conclusions or not, it had done a superb job of research", (and a very costly one), the fact remains that this Government has these problems to face, the problem of rural finance. I am going to suggest, Mr. Speaker, if the over-all revenues of the province cannot be increased, then other ways must be found of bringing some revenue and making it available for our rural municipalities and our other provincial government bodies. Since this Government took office, the Government has purchased numerous buildings throughout the province. The annual cost of cleaning, heating and maintaining these offices has increased enormously. Many additional employees were appointed, and when we heard . . .

Premier Douglas: — How many?

Mr. Foley: — I have a figure here which states that civil servants have increased from about 2,700 to about 5,700 or an increase of 106 per cent to the end of 1955. Total expenditures to administer Natural Resources have increased. The total expenditures for the administration of Natural Resources, according to my source of information, were about \$512,000 when this Government took office in 1944.

Premier Douglas: — Hear! Hear! — and the revenue was even less!

Mr. Foley: — In 1955, the total cost of administration was in the neighbourhood of \$2½ million.

Premier Douglas: — 'The Leader-Post' said it's not enough.

Mr. Foley: — In 1944, the cost of administering northern areas and local improvement districts was just about \$42,500; in 1955 it was \$248,000. These are just administration costs. Administration costs alone

March 14, 1957

have increased under this Government from about \$82,000 in 1944, to about \$290,000 last year, in the Department of Education; from about \$20,000 to \$190,000 in about a 10-year period in Public Health; from about \$22,000 to \$186,000 in Agriculture in the same period.

Premier Douglas: — Do you object to it?

Mr. Foley: — These are just administration costs, Mr. Speaker, - and from \$24,000 to \$319,000 in Co-operatives.

Premier Douglas: — Do you object to that?

Mr. Danielson: — Sit down?

Premier Douglas: — Does the hon. member object to that? He hasn't got the courage to answer that one.

Mr. Foley: — The present Government are . . .

Premier Douglas: — Is the Liberal party opposed to it?

Mr. Foley: — I have noticed the skill with which you have parried leading questions from this side of the House for a long time.

Premier Douglas: — I never run away from them, though.

Mr. Foley: — I am standing right here.

Mr. Speaker: — Order!

Mr. Foley: — I am merely pointing out, Mr. Speaker, that administration costs have one much beyond the ratio of increase in our provincial revenues, which I understand are in the neighbourhood of about four times as great today as they were when this Government took office.

Hon. Mr. Willis: — Compare programs.

Mr. Foley: — But certainly administration costs have gone much beyond that. Now, Mr. Speaker, I am not suggesting that a certain amount of this increase in costs isn't justifiable, but I am, remember, asking the question which I asked at the beginning: is it not possible to get some additional revenue in this province through economy, which this Government, up until this time at least, seems to know very little about?

We already heard the figure, yesterday, of the vast increase in the cost of 'Saskatchewan News', from about \$9,000 or \$10,000 in its inception to a sum of over \$31,000 last year. The cost of the Bureau of Publications has increased from \$14,500 in 1944 to about \$180,000 to the end of 1955.

Mr. Loptson: — A sizable increase. A little more than 10 times.

Mr. Foley: — There have been a great many questions raised in this House, Mr. Speaker, as to the ultimate aims of the Bureau of Publications. It is not my purpose today to go into that. Certainly forms and nicely drawn-up bits of advertising for the various duties and accomplishments of our province, I believe, have their part to play in the economy of our province; but certainly members in this Assembly with much more experience than myself have cast reasonable doubts on some of the functions of the Bureau of Publications. The cost of the Public Service Commission has increased nearly 12 times from about \$8,500 in 1944, to over \$100,000 to the end of 1955, and no doubt it is higher today. Why is the public payroll rapidly increasing each year? And I can go on and on. A number of other extravagances of this Government have been mentioned by previous speakers.

Auditing costs, just to take another example, have increased from \$67,000 in 1944 to \$260,000 until two years ago. I understand (I stand to be corrected) that one reason for this is that Crown Corporations do not pay auditing costs.

We heard the hon. member from Pelly (Mr. Barrie) tell us something of the costs of the Boys' School as compared to other public institutions. We have heard a great number of opinions voiced concerning the Museum of Natural History, and it's not my intention to make any controversial statements concerning those institutions; but I certainly feel that some thought can be given in the future, when Government expenditures are being planned, to what are the real needs of the people of Saskatchewan, when expenditures of this calibre are being contemplated.

We are still getting used to the fact that \$80 million is being spent on two power installations in the province. I am still remembering, with a fair degree of clarity, the report made by Mr. Cass-Beggs concerning the feasibility of the Saskatchewan Dam, when he stated that power could be generated more cheaply with coal than it might be by hydro, when he went on to say the Saskatchewan Dam was primarily an irrigation proposition. Time, I think, has born out what many on the Opposition have said, that Mr. Cass-Beggs was right. The Government of this province have been putting into effect his suggestions in this respect; but nevertheless \$80 million is a remarkably large amount of money in our day and age.

Much more could be said, and will be said, but the fact remains that the attitude and the conduct of many members of this Government have left themselves open to question in many parts of this province. In view of my remarks this afternoon, I think it is reasonable to assume I will not support the Budget.

Mr. W.J. Berezowsky (Cumberland): — Mr. Speaker, in rising to take part in this debate . . .

Hon. Mr. Fines: — Call it 5.30.

Mr. Speaker: — It being 5.30, the House will recess until 7.30 o'clock.

Mr. W.J. Berezowsky (Cumberland): — In listening to the debate, Mr. Speaker, today and during the past week, I have come to the conclusion that the members opposite have been trying to fan up a great big flame, and all that has happened is that we have seen a lot of smoke and the member who spoke just before me (Mr. Foley) got lost in that smoke.

Reference has been made in the Budget debate to the situation as it exists in Canada today, particularly as to the inflation which is facing the people of Canada. I can only say that, when one considers on one side you have the 'boom' as they call it, and then on the other side we have our farm population in a depression, it is very unfortunate for Canada; unfortunate for business, and I believe, it is most unfortunate for all of us.

I would like at this time, Mr. Speaker, to point out how dangerous a situation we are facing, and I am going to quote from MacLean's of March 2, where Bruce Hutchinson tells why our boom has the experts scared. You will find on Page 18, a few paragraphs, and with your permission, sir, I would like to read some of these paragraphs. He says:

"Inflation at its present rate would wipe out all your fixed savings within your life-time, even if you are already of middle age."

Again he says:

"Under the best of conditions, nothing on earth can prevent a dangerous rise in prices during the next six months, together with a nuclear explosion in politics."

I would like the members opposite to take note of that. Another quote:

"For the first time our newly invented and supposedly foolproof economic system is now on trial for its life, and could easily end in a national smash-up."

I would like to make reference to a few more quotations that I have here, because I agree with what this writer says. You will find on page 36 of this same article:

"Government in a democracy will finally do what the public demands, whether wise or unwise. If there is to be more legal counterfeiting of money, the public will be the master counterfeiter; Government, only the technician, as history has proved over and over again."

One more paragraph, Mr. Speaker:

"The paramount question is whether the Canadian people, in trying to have it better than their actual resources allow, will precipitate a 'bust' later on . . . whether, in short, democracy can stand prosperity."

I mention these things because the hon. members opposite have been, for the past week and longer, pointing to the healthy conditions in this country. They have been talking about a boom; actually they have been trying to avoid the actual state of affairs in this people of Saskatchewan and the existent deflation. I feel that if this boom had been extended to the rural areas, probably things would not have been quite so bad, and I am sure there is a way out of the dilemma. I don't think that we need to have a 'bust', but I do think that if we had a courageous government in Ottawa, something could be done to alleviate the situation as it exists in Canada today.

I believe that one reason why we have inflation is the fact that on many commodities, we have tremendous tariffs and high duties which people in this country directly or indirectly must pay. Just to illustrate what I have in mind, may I point to a merchant who had been shipping a few things from countries overseas; he gave me a picture of what happens. For example, this man used to bring (and still does) lighter flints into this country. If you wanted to buy a half a dozen, or maybe three or four flints, you know what you have to pay. You pay 15 cents or 25 cents for a little tiny package. But here is the price overseas in one of the countries in Europe; two and a half pounds (or a kilo) of flints costs, in Germany, \$12. Back in 1919 all the duty that was paid on this item and all the taxes that were paid on a kilo of flints, was 97 cents. In other words, it cost this particular merchant or any merchant who obtained this material from overseas trade, to \$12.50. You may want to know what the duty is today – I'm not sure what it is at the present time; but just a matter of a year ago or so, the duty, excise tax and sales tax on a kilo of flints amounted to \$37.50. Who is paying the shot, Mr. Speaker? It is the consumer in this country, and that is one of the reasons why Canada today is obtaining such tremendous surpluses in the budget. I submit that, if the Government of Canada were wise, and particularly if it considered the position of the primary producers (the agriculturists) probably what it would do would be to return some of these surpluses which it collects in taxes and excise duty back to the people who need it the most; but Ottawa refuses to do that. So Canada is in the position that it may face a 'bust', and, as the writer in MacLean's says, he is quite sure that it will come in a short time. I will recommend all the members in this House to read this article; it is in the March 2 issue of MacLeans. It is worthwhile. It will be helpful to all of us in understanding the dilemma in which Canada is finding itself today.

As I said, Mr. Speaker, I think we could do something about alleviating that condition. I am proposing at this time to submit for the consideration of this Assembly, a few suggestions. I may be possible that these could be incorporated into a resolution.

The Government in Ottawa, first of all, could reduce expenditures for national defence, which is not productive, and put to use much of this reduction into productive and national services.

Secondly, I think it could use its powers under the existing board to lend out sufficient money to those interested in farming, at a very low rate of interest, because it is being done in many countries of the world, today, at less than 2 per cent. It could do this so that these people could acquire capital for purchases of farms. We have heard a lot from the Opposition about what this Government should do about re-establishing young people on land, and I could not help but wonder whether they were ignorant of the fact that it is practically an impossibility, and also whether they were aware of the fact that we could not possibly lend out money at a low rate of interest. But the Dominion of Canada with its huge surpluses of \$500 million and \$600 million, which they say they don't know what to do with — here is something that could be done with these surpluses. Money could be loaned out to establish farmers, say \$20,000 or \$30,000 for a long period of years, say at 1 1/2 or 1 3/4 per cent interest. It can be done and the hon. members opposite know it; the Liberals in Ottawa know it, and we know it. It is clear that we could divert much of these surplus taxes and credits for capital expansion as opposed to increasing unproductive services. It is quite true that this investment into capital eventually increases the gross national production of wealth, but with more wealth, a better balance will be established, and there will be more competition on the market.

The third suggestion I make is that the Government at Ottawa should reduce the heavy burden of taxation on the small income group, in order to have a smaller surplus. I think this request is most reasonable, and has been discussed in this House. Such action would put into the hands of the working people and the farmers more money to pay for the essential needs and services required by people on a local government level.

The hon. member from Turtleford charged that the municipalities and the schools are hard up and that it is up to this Government to provide more money — one way is higher taxes; but he did not come out with a suggestion where the Government could obtain the money. Well, maybe we could borrow it. Maybe the Government in Ottawa could provide, or make some arrangement to lend the province the necessary money at a very low rate of interest so as to relieve the load upon the people whom we desire to help.

The fourth suggestion is that the Government could increase the taxation on the corporations, so that it could cut down on the surplus production by these corporations, because they have been, in many cases,

over-productive. This was mentioned by the hon. member from Yorkton (Mr. Neibrandt). We find this over-production at a time when the consuming public is in a depressed condition and not able to buy these surplus goods for cash. True, people are buying considerable goods on time; certainly they are not paying for them in cash, and we are in exactly the same kind of position as we were in 1929-1930, when we had the great 'bust' in the United States.

The members opposite may not agree with some of my suggestions, but I think it is a much better thing to try and save our country – to try to stabilize the conditions in our country, and to attempt to find some kind of solution.

I am prepared to suggest that instalment buying should be controlled, and when we talk about controls, I am of the opinion that the best thing the Government at Ottawa can do would be to re-establish a fair basis of price controls. Now, this is nothing new. MacLean's points out that price controls are inevitable, and whether the hon. members opposite agree or not, those appear to be the facts today, and therefore, the Government of Committee should take the matter in hand, and if that is the answer to our economic illness, it should go ahead and initiate price controls. Certainly those of us who live in this part of the country would be very happy to get back to the prosperous days when we did have price controls. But if we are to have price controls, then the Government should establish a fair relation between the goods that are produced and the good that are bought. We wouldn't want to leave them on the present basis where, without argument, the farmer is getting less for the goods he produces than he got a number of years ago, and yet he is paying three and four times as much for the items which he has to buy. There must be some level established that would be fair to all concerned.

I will digress somewhat because I feel this whole economic situation is most serious, and certainly it is affecting the province today, and the municipalities and other local government bodies. I am not an historian; nor an expert schoolteacher like one of the hon. members opposite; he spoke all afternoon, but I couldn't understand what he was talking bout. I will refer him to something that I think may be of value. We have been accused across on this side of the House time and time again that we have certain viewpoints that eventually are going to bring about a collective way of living, and things like that. I would suggest to then that the happenings in Canada today may lead to exactly the kind of situation that we all fear. I will go back 100 years – just about 100 years to a country which was, at that time, ruled by the Czars of Russia, and at that time you had a bureaucracy equal to none in the world. There were other people in that country (no, not the peasants!) people of the middle class called the 'intelligentsia', an educated group, and yet people who had some sympathy for the serfs that existed in that country at that time.

I recall reading the life story of a girl by the name of Vera Figner. Vera Figner was not a revolutionist in the sense that the hon. members sometimes think of revolutionists. She was a woman with the kindest heart and the most Christian principles that you would find anywhere, and Vera Figner and a group of people like herself tried to do something about alleviating the situation in that country. What was the situation? It wasn't the Czar and it wasn't the peasants that had created the situation where 80 per cent and 90 per cent of the budget of that country went for defence; where the peasants as well as the middle class were taxed beyond their limit to pay. She wasn't one of those. She was well-to-do, but she saw what was happening to Russia at that time and so she associated herself with the number of people who were called 'Social Democrats'. She tried to do something about it; as a matter of fact she is one of the leaders.

Well, to make the story short, they fought, they pleaded, they made petitions to the Government of that day which was the Czar, of course, and a few ministers, and they could get nowhere. The bureaucracy of that country would listen to no one. All that was achieved was that the government decided to allocate the lands of the rich landowners to the peasants, and so the peasants or the Mouzhiks (as they referred to there) were given half an acre, or an acre or two acres of land. But here was the thing. When those people got those small parcels of land, the tax, I pointed out as being of such a tremendous weight, was greater than the productive value of the land and so again, you had discrimination and hardship and these serfs were ready to do anything. So what did they do? They did the wrong thing, Mr. Speaker. They assassinated Czar Alexander II, and they thought that would teach the Government of the day that something should be done to help these people of a large country to live a better life. But nothing happened. An uprising came about in Poland, I think in about 1865 or 1867. That did not help. In 1905 they tried again. Through the Ukraine and through Poland and through Russia proper, or Muscovy (as we refer to it) there was an uprising. The uprising brought results, a parliament for the first time in the history of that country. Bureaucracy was struck, but not a death blow, and they had a parliament for one year which they called the 'Duma', and then it was abolished. Again, the peasants, suffering under the deadweight of taxation and of discrimination and bureaucracy, carried on until their sacrifice in the war of 1914-1916, when, without guns and ammunition, they were mercilessly shoved against the German armies in the Carpathians, and that was the time of the great uprising and fall of an Empire. They rose against their own government and they set up different states. The Polish people set up their state; the Ukrainian people set up their state, and had it not been, as I mentioned on a previous occasion, that armies from the west had been sent out, led by Generals Deniken and Haller, and others, maybe we would have had a different situation in the world today. The imperialistic world was against the peasants, and the thing that happened is that these people having no other choice, adopted the leadership of Lenin and what he stood for.

I am pointing this out because we who believe in democracy do not wish to see the people of Canada, or of any country go to that kind of an extreme. We believe that the liberties we are entitled to, the economic

freedom we are entitled to, and equality of one kind and another, can be achieved, through a democratic process. So, when I listen to the hon. members opposite, I can only say that to me it is disgusting, because with the intelligence with which these men must be endowed, representing fine communities, they must have been good men, and intelligent men, to be found here. So when they come out with this kind of argument that they do, and refuse to see the facts as they should be seen, failing to recognize a danger lurking of an imperialism striking Canada, and as Blair Fraser says, we are read to go 'bust', when I see all this, I am disappointed. And they laugh. They laughed, Mr. Speaker, but history will prove whether or not I am right.

Mr. Cameron: — You should set up another party!

Mr. Berezowsky: — We have a party that believes in the right kind of principles; which believes in true democracy, not only freedom to speak but economic democracy as well.

Mr. Speaker, having said that, I propose this evening to indicate to you nearer home what is happening. To me there are only two kinds of people: those who exploit and those who are exploited. And there are only two kinds of governments — those who exploit and those which are exploited. Those are the only two kinds of people and government you have. So getting back to my constituency, Mr. Speaker, I will deal with trappers, with fishermen and with others. Take the case of trappers. This Government has done one of the finest things that could have been done to give people economic freedom. A few years ago we established a fur marketing service, and through that service I intend to prove that, half a million or \$1 million a year more went into the pockets of the trappers. But there was pressure, and particularly from the hon. members opposite and their party, the Liberal party; pressure upon the trappers to say that what we had was compulsory; that it was a wicked thing. They forgot to point out that if they lost the compulsory features they might lose a million dollars. Mr. Speaker, if you look through the records of last year, you will find that social aid only cost \$45,000 in the northern district, but the taxpayers lost, if not million, then a third of a million, or ten times as much as we give in social aid. Had they received that money perhaps they would not have had to receive social aid.

I am going to prove something to you, or at least I will try. Looking through the annual report for 1956, on Page 37 we find a table dealing with the value of wild fur pelts. You will see that in 1956 (I will take just a few of these) there were 18,514 mink trapped or sold by the trappers of this province, of which possibly half and maybe more came from the north. (It doesn't matter too much). You will note that the price in this particular year, on the average to the Fur Marketing Service was \$26 for a mink. The hon. members have the figures for the high and the low, but the average was \$26. Now, I took a little time off to investigate and I have some figures that are most interesting. I will not name the companies, but I could give that information. I have company No. 1, which is a very reputable company,

and established right across this country. This company paid, during the best month of the year, December, 1956, \$17 average per mink. On one hand \$26 from the Saskatchewan Fur Marketing Service; on the other hand, \$17. Here is another company, not quite so big, doing business in the city of Regina. As a matter of fact, these are all doing business in Regina; that's where I got the figures. For the month of December, the average it paid for mink was \$11 compared to \$26 obtained by trappers from the Saskatchewan Fur Marketing Service. Company No. 3 another reputable company, advertises in the press that it pays top prices, and here is the top price they pay to the trapper, Mr. Speaker: the average per mink for the month of December, when you get the best fur is, \$8.58. There, Mr. Speaker, is your free enterprise. Are they satisfied with a reasonable profit of 10 per cent or 20 per cent? Figure it out for yourself: \$26 from the Fur Marketing Service; \$8.58 from a private enterpriser.

Am I to stand here in this Legislature and not say anything about it? I don't blame these companies for making profits; they're free to do so. This is a free country. If anyone is to blame, it is the trappers who know no better. I would only suggest to the Government that they carry on more publicity, spend more money on publicity to advise these people of what happens when their furs are offered for sale.

Take the case of weasels for the whole year, as found on page 37. There were quite a number of weasel caught, 108,283. The average price shows a little less than the previous year, but the average price is \$1.60. What did free enterprise pay? Here is this Company No 1 – it is not too bad, it is a reputable company, that is why they pay a little better; the average is \$1.24 compared to \$1.60. What about Company No. 2? The average price for the month of December when you get the best fur (I used to buy fur and I know something about it) the average price was \$1. What about Company No. 3? The average price they paid for weasel was 72 cents at the time of the year when the best fur came in.

Again, as I say, I don't blame the companies. But why blame this Government when we try to help the people who trap by having orderly marketing? Isn't it desirable? Take the case of muskrats. It isn't quite so bad with muskrats. I have here the average price paid by the Saskatchewan Fur Marketing Service during the year 1956 as shown on this record. The high at one sale was \$1.72, but it was 93 cents average for the whole year. During the month of December, Company No. 1 paid an average price of 54 cents.

Mr. Cameron: — Give us the names of the companies, will you?

Mr. Berezowsky: — I am not going to disclose the names of companies. I will say this, Mr. Speaker. The hon. members can go to these companies and they can get the figures for the month of December, and they can come back and say I am not telling the truth.

Mr. Cameron: — Well, Mr. Speaker, just on a point of order, the member is putting up a great case of these companies and yet he is calling

them A, B and C and he is quoting from some press report of which we have no knowledge. We don't know what the facts are . . .

Mr. Berezowsky: — I am not quoting from a press report; I investigated this and I can prove . . .

Mr. Cameron: — . . . I think we should have the information he is quoting from.

Premier Douglas: — Mr. Speaker, on a point of order, the member has a perfect right, if he has collected the prices paid by certain companies, to give those prices without quoting the companies' names, and accept responsibility for it.

Mr. Cameron: — He is reading from statements in the press pertaining to . . .

Premier Douglas: — Well, he's not reading from the press at all. He is reading from the list which he has compiled after getting in touch with these various companies, and I would think that, as far as the companies are concerned, they probably would prefer not to have their names bandied around in the debate. But I am sure if the hon. friends insist, the hon. member will be glad to divulge them.

Mr. Loptson: — Well, who is to say this information is correct?

Mr. Berezowsky: — Mr. Speaker, I take full responsibility for submitting these figures. I compiled them. It wasn't taken out of a press report; it was compiled from records, and I can give the information to be held in confidence to any member in this House as to where I got this information: but I will not divulge it in this House and make it public. I am not going to stand up and be charged for libel.

Mr. Cameron: — You sure would be after those statements.

Mr. Berezowsky: — In any event, these figures are correct, and I let the people here and the members here decide whether I have integrity and tell the truth when I am submitting these figures as true figures.

Going back to muskrats, the Saskatchewan Fur Marketing Service average as shown here for the whole year is 93 cents. Company No. 1 paid 54 cents in the month of December; Company No. 2, the average price per muskrat was 42 cents and Company No. 3 the average price per muskrat was 41 cents. As I pointed out in Committee recently on one occasion (I hope I am not out of order), I saw one account where a trapper sent in 75 muskrats and got \$5.

Mr. Loptson: — They may not have been worth any more.

Mr. Berezowsky: — Do you want to protect those companies? I am not attacking the companies.

March 14, 1957

Mr. Loptson: — They might have been mistaken for cow-hides!

Mr. Speaker: — Order! Order!

Mr. Berezowsky: — I am pointing out that when you take these figures on page 37, (these figures are not the figures) of the total price received by the trappers of Saskatchewan; these figures are the value of the fur produced in Saskatchewan, based on the market value paid by the Saskatchewan Fur Marketing Service; and when these figures say that these trappers received nearly \$3 million, then those figures are not correct; they probably received less than \$2 million. These are the figures that represent the value of the fur, but the trappers never got the value for the fur, and, as I say, if anybody is to blame, it is the trappers and it is the kind of members we have opposite that have encouraged trappers to uphold these free-enterprisers who are taking away the break and the butter and the clothing that the people of the north need in order to exist.

We heard today from the hon. member for Turtleford (Mr. Foley) who teaches school, and should know better, that we should do this and that, but he never tells you where the money is going to come from. Yet it is a simple answer. We take \$50 million or \$100 million from the people of Saskatchewan, and we give it back to them, and if we are going to give them another \$50 million, there are only two ways you can do it. You can either go and tax them, or else you have to go and borrow, and put this province into debt. Yet he suggests to this Government that we should cut down. Cut down on what, Mr. Speaker? The Hon. member for Pelly (Mr. Barrie) is not in his seat, but he said the same thing; cut down on administration. There's too much administration, they said, twice as much as there was in 1944. Well, sir, there is five or 10 times as much work being done to make this province something that it wasn't in 1944. And I well recall the political speech that the hon. Leader of the Opposition made last year, and I mentioned it in this House last year, and he didn't deny it, when he said that if the Liberals got in, they would fire half the civil servants.

Mr. Gibson (Morse): — He sure did.

Mr. Berezowsky: — They have it right in their platform. I have their platform right here. They don't say how many, but if you read their platform, Mr. Speaker, it is one of their planks.

Hon. Mr. Brown: — It's only their 'gas' program, Bill.

Mr. Cameron: — It's being generated free over there.

Mr. Berezowsky: — What do they say?

Mr. Cameron: — You're sure that's the platform, now?

Mr. Loptson: — You can't understand it, eh?

Mr. Cameron: — It's in there somewhere.

Mr. Berezowsky: — It's in there where he says he will cut down . . I am sorry, Mr. Speaker, I haven't my glasses with me so I had to borrow a pair and I am doing the best I can. I will let my friends here find it for me.

Mr. Cameron: — Here, Bill, take mine. Maybe you can see better with them.

Mr. Berezowsky: — That's better. These things happen, you know. But I'm not going to be stuck because I have no glasses.

Mr. Cameron: — Share the wealth!

Mr. Berezowsky: — Thank you very much. Here's what they say. This is in the Liberal four-year program broadcast by A.H. McDonald, Saskatchewan Liberal Leader, April 11, 1956. He says:

“Millions of dollars each year for additional services may be obtained by reducing the excessive administration costs, and by eliminating the multitude of extravagances which are conspicuous features of present administration.”

Some Opposition Members: — Hear! Hear!

Mr. Berezowsky: — If they are going to go ahead and save millions and millions of dollars to the people of Saskatchewan, then I believe that what they said they intended to do, was to fire 3,000 or more of the good civil servants we have in this province . . .

Mr. Cameron: — Where does it say that?

Mr. Berezowsky: — It says so when you mentioned reducing services.

Mr. Coderre (Gravelbourg): — That didn't mean civil servants, though.

Mr. Berezowsky: — The hon. member, this afternoon, said the auditors' fees are extravagant. Yet how would they feel if we came into this House, or into Committee and didn't have a proper accounting made, a proper audit? Is that a good administration?

Mr. Foley: — Mr. Speaker, on a point of privilege. I did not say auditors' fees were extravagant. I merely pointed out the increase in auditors' fees over a ten-year period; nothing more than that, Mr. Speaker.

Mr. Speaker: — Order! Order!

Mr. Berezowsky: — In any event, Mr. Speaker, I have to fight the battle for the people who cannot come here and speak for themselves and the people of the north. And when I see these advertisements saying, 'top prices', 'highest prices' and malarkey of that kind, and I find the trappers of this province have probably lost a million dollars in one year, then it is my job to come to this Legislature and ask this Government to do the best they can to continue a program of publicity so that these people can save some of that money for themselves. The same story applies to fish. We are paying this year in my constituency, at Cumberland House, \$1.30 a pound for Sturgeon. There will be about 7,000 pounds caught, and I am sure it is going to mean quite a bit to the economy of that particular community.

Mr. Loptson: — That is about one-half of what it's worth.

Mr. Berezowsky: — That may be, but I am quite certain that the hon. member, if he went down to New York, probably would be able, with the money he's made in oil and whatever else, to pay \$5 for a plate.

Mr. Loptson: — And you are only paying \$1.30 a pound for Sturgeon.

Mr. Berezowsky: — The thing is, we're happy that we can get \$1.30; and if people are willing to pay it is helping my people up there. By having the Fish Marketing Service we have more or less guaranteed the people of the north some kind of an income. I can recall, a few years back though not so long ago, when I went into the Pelican-Rapids district, and I inquired and got some figures. I got them from an Indian agent, if you want to know. They're correct figures, and I found out the income averaged as low as \$187 a year, including family allowance, pensions and everything. I would like to see the hon. member from Saltcoats live on \$180 a year, and see how he would like it.

That's the reason I am speaking for those people today, and I am very happy to see that we can get \$1.30 a pound for Sturgeon. I am glad to see that we can pay our fisherman anywhere from 10 cents to 20 cents for whitefish, and I am glad to see that we can pay a fair price for jackfish and pike; but there are some things I don't like, and that is all this argument about compulsory features. There's no compulsion, of course, in fishing now, but it does . . .

Mr. Loptson: — That's why you're paying more for the fish; because there's no compulsion.

Mr. Speaker: — Order!

Mr. Loptson: — You would only pay half that when you had compulsion.

Mr. Berezowsky: — But they do affect the thinking of a lot of the fishermen in the north who are, in the first place, honest and simple people. And when the M.P. from Meadow Lake comes down with a box of cigars and

hands them out, they think he's a pretty good fellow, and they believe what he says, and they would believe the hon. member from Saltcoats, if he came along with a box of cigars and handed them out. He'd be a fine fellow, and they would probably believe him. So, when he tells them the Fish Marketing Service is robbing them, of course they may believe him, too. Of course, that is not true.

Mr. Cameron: — What do you give them?

Mr. Berezowsky: — I do not give out cigars anyway . . . if you want to know the story, I'll tell you. You will be ashamed of what happened; what the Liberal candidate did at Cumberland House. It had better not be said here.

Mr. McDonald: — It might be libellous, eh?

Mr. Berezowsky: — I have never given anybody a cigarette, or a cigar or a bottle of whiskey at any time, where you people did.

Mr. Loptson: — We hoped it would be in good grace.

Mr. Berezowsky: — It is not very wise to bring those things up. In any event, Mr. Speaker, I know of a situation in the north, just a year or so ago, where a private dealer was buying fish and he is a free enterpriser. It's a thing we wouldn't do in the fish marketing. He said to them, "If you want to sell your whitefish, you'll have to sell your pickerel and jacks."

Mr. Weber (Meadow Lake): — Who said that?

Mr. Berezowsky: — I can tell you. It was in the Meadow Lake and Patchenac district, and the fishermen, in order to get a better price for their jack and pickerel, do you know what they did? They're smart people, too. They dug holes in the ice and buried the jackfish and the pickerel, or most of them, and then they sold to the dealer, who wouldn't take the whitefish unless he took the jack and pickerel, some jacks and some pickerel, and he took their whitefish, and then during the night — it was beautiful to see on the lake — cars travelling back and forth — and another fish dealer picking up the jackfish and the pickerel. Yet id did help the fishermen in that area, because they got more money.

Some Opposition Member: — Were they private enterprise?

Mr. Berezowsky: — Yes, they were both private enterprisers.

Some Opposition Member: — Hurray!

Mr. Berezowsky: — So they helped my people, and I thank them for that. But at times people have to be smart. Actually, it was

the fishermen of Meadow Lake, but I refer to the northern people as my people. Until this year (we now have the hon. member from Athabasca, Mr. Harrop) there was nobody to speak for those people, except the member for Cumberland, and I was very happy to do that.

I will go back to fish and will let the hon. members (those who were here) recall when we were accused of only paying 50 cents for Sturgeon and it turned out that the Fish Marketing Service was paying \$1 a pound for Sturgeon, and the people who were paying 50 cents were dealers in the Manitoba section; and, of course, the hon. member for Athabasca at that time was very, very embarrassed.

Mr. Coderre: — You have the best fish in the world.

Mr. Berezowsky: — I would now like to mention something about other prices and costs before I touch upon mining and other matters in my constituency and in the north. Up in the Meadow Lake district, I think, again around Pathenac, Ile a la Cross, Buffalo Narrows, my information is (and I can be corrected if I am wrong), that until a couple of years ago in that community, the merchants who have establishments and businesses charged more for a can of beans than you had to pay another 100 miles farther north. There was no competition, and they exploited the people to the limit — 10 cents, 12 cents and 15 cents a can more than you could have bought the same good for, 50 and 100 miles farther north. I shall say that the people of the north have initiative, and they are going to do something about these situations, and in this particular community, today, they have a co-operative store. They started out with nothing, and the hon. member from Meadow Lake (Mr. Weber) should know what I am talking about. The last report I had they had a turnover last year of \$70,000 and were able to pay a 10 per cent dividend, and they are selling at competitive prices as they are in Meadow Lake. So the people, whether politically or otherwise, are taking the situation into their own hands and are going to solve their problems. No more will you see the day when the free enterpriser charged me \$7.50 a bag for flour, and turned around and charged the native in that community \$15 a bag for flour. Those days are gone. And no more will you see in the north, where we are able to do something about it, that before the Saskatchewan Government trading came in, you paid \$1.25 (and this happened at Stanley, and I paid it) for a gallon of gasoline for your motor; but as soon as Saskatchewan Government Trading came in, the price went to 75 cents, and I understand, last year, it was only 60 cents a gallon. There, my friends, is the difference between your philosophy and mine.

Some Opposition Member: — Gasoline jumped up one cent.

Mr. Berezowsky: — Getting closer to home, and something that affects all of us, and again we will talk about free enterprise. Let us try to understand the situation. Let us try to represent the people of Canada to save this country from this kind of exploitation. A year ago the price of wheat had not gone up, labour had not gone up to any extent, but one day I

I awoke and found that the price of bread has gone up one cent right across the board. I don't know who these free enterprisers are or whether they all got a dream during the night, but in the morning they decided to raise the price of bread by one cent right across the country.

Mr. Loptson: — Now, you're opposed to free enterprise.

Mr. Berezowsky: — Then again, just last fall, again they went to sleep one night, and the next morning they got up and decided they would raise the price of bread one cent. Every one of them had the same dream, because the price of bread went up one cent right across the country.

Mr. Cameron: — We woke up one morning and gasoline was a cent higher.

Mr. Berezowsky: — Yes, and who really put the cent on the farm fuel, if it wasn't these same companies? They come with a balance sheet and say, "We made more millions this last year than we made the year before." Then they come and raise the price on gasoline which the farmer needs to produce food for hungry people; he has to pay that extra cent. They don't pay it. And you want to be their friends! I don't!

Mr. Loptson: — You're opposed to free enterprise, then, of course.

Mr. Cameron: — You should speak to the Provincial Treasurer about that.

Mr. Loptson: — And to the Premier; he spoke very highly of free enterprise.

Mr. Berezowsky: — These are some of the things, Mr. Speaker, that you will find in and around us, and this Government has to be congratulated for the fact that they have done everything that has been possible within their limits to do. I am not going to talk about the services we give, which are good — better than anywhere in Canada. I am not going to say, or suggest, that they could have given, as was suggested about power this afternoon, without somebody paying for it. We are not going to be like the people to the west of us and offer \$22 dividends, in cash, which is actually royalty or tax money which should have gone into the treasury and paid for services; and I would not suggest to this Government, as has been suggested this afternoon, that we should take \$20 million and give it back as a dividend to each of the farmers professional rata. We are joined together; we are going to pay our way in this province, and build the best province in Canada.

Mr. Loptson: — Got a good mine up there?

Mr. Berezowsky: — No, I haven't any. I worked for a mining company and they paid me fair wages.

Mr. Cameron: — You have to go to Manitoba to find a mine.

Mr. Loptson: — Can't get money to develop it, eh?

Mr. Berezowsky: — Anyway, Mr. Speaker, I did work for a mining company last year for wages, part of the time, because as you know, our indemnity isn't very high, and when you have a family to support you have to get out and work, and I love working. But I will tell you something about the north. You will find that the north has not been scratched. That is not just my opinion; though I have seen practically every section, from the Northwest Territories down to the sediments in the south; I have been up at Pelican Narrows, I have been as Deschambeault, Reindeer Lake, Scott Lake north of Stony Rapids, Uranium City and in the west around Porter Lake and other places as well. Certainly I have been around Lac la Ronge and have seen with my own eyes the potential that exists there.

It is unfortunate that we are located as is the province of Ontario, where they have transcontinental railways running through, and branch lines and roads, because I am quite sure that we would have the same kind of development as you have in Sudbury or down in Quebec, and in other places. But the potential is there, and I recall that in September last year we had a gentleman from Saskatchewan, a professor our University, Dr. Byers — if I can find the clipping . . . it doesn't matter; you have probably read it in any event. Dr. Byers was checking that area, and he said:

“The Deschambeault area has the greatest potential of any area in Saskatchewan for base metals.”

And I agree with him. I understand from people who are close to what is going on in the north, that hundreds of claims have been staked this winter. Again, having been up in the Porter Lake area last year I saw with my own eyes all kinds of uranium ore potential, and the people in that company I was associated with last summer indicated to me that there should be no fear of uranium going too far into the doldrums, because within eight or 10 years there would be such a demand as we cannot possibly visualize for uranium. There is nothing that can replace it. I want to point out that north of Meadow Lake in the Porter Lake area we have tremendous deposits of disseminated uranium in the rocks of that region, and again I want to point out to you that up and around Deschambeault and Pelican Narrows, there are tremendous possibilities for base metals — copper, zinc, lead, gold and so forth. Let us not forget, too, that in my own constituency in the south, in around Choiceland and from there on right up to Wapaweka Lake there are indications of tremendous iron deposits. This is in my constituency, too, but part of it is in the constituency of Nipawin. I understand that the ore has not proven to be a high enough grade, but there is enough of it, and I am quite certain that, within our lifetime, maybe a matter of five or ten years, we will have mining for iron in that particular region. Certainly it appears to me to be much simpler to put shafts down a couple of thousand feet and obtain the iron ore, than to have to build a railway 300 miles, as they did down at the Quebec-Labrador boundary.

I say all this because, realizing the potential of the north, I have a genuine confidence in that area, and I only wish that, somehow, I could persuade all the members here, and the Government here, to do a little more for the north than is being done. I know quite well there is only so much money to go around, and I'll be the last one to cry about it; but at the same time, if we are going to have the kind of development that we should have, I think that more money will have to be allocated to that area, because if you do that, Mr. Speaker, you will find that royalties will bring more revenue into the treasury, which will build a lot of the things that we desire to build. You will find there will be more employment, and I hope that, before this budget debate is closed we may have some kind of announcement that roads will be built into that area.

I will commend the Minister of natural Resources and his Department for building the road up to Buffalo Narrows. It is not in my constituency; but I say that, because I know how valuable that road is to the people of Saskatchewan, not just to Buffalo Narrows. It is opening up a section of the north, this Porter Lake area. I again wish to stress the very great importance of building a road from province of Saskatchewan; I don't care where it goes – whether it goes down by White Fox or whether it goes through Candle Lake or Smeaton; but I think it would be in the interests of this province. It is urgent; as a matter of fact it is imperative that we begin to construct a road past Deschambeault Lake (somewhere in there), so that we can have access to that tremendously potential area of which Dr. Byers has spoken, as I said, in September in the Saskatoon 'Star-Phoenix'.

I would also like to point out at this time to the Minister of Highways here that I hope something will be done in the community of Creighton. The people there are very fine people, not because they have me about 80 per cent of their votes, or because they have confidence in this Government; but they are fine people because of what they are. They are mostly people from Saskatchewan, and they have very few roads in that area. So while I am pleased about what has been done about the road to Denare Beach, I would suggest to him that it is most urgent that the small section between the town of Flin Flon and Creighton be black-topped, because there is just as much traffic on that road as there is on Highway No. 6, or No. 1 here in Regina; I'm quite sure of that – one car and one truck after another). There are 3,000 people in Creighton, just a mile away from the city of Flin Flon, any you can imagine the tremendous amount of traffic that exists there. And I will be prepared to be criticized by the people of my constituency for the suggestion that if money cannot be found, we cut down on any other projects in the south, and use the money in the north where road-fare is urgently needed.

Mr. Speaker, I now have the article here. It is dated September 29, 'Saskatoon Star-Phoenix', page 14: "Big Mineral Potential Resources":

"A 300-square mile area in the vicinity of Deschambeault about midway between La Ronge and Deschambeault about midway between La Ronge and Flin Flon has a tremendous mineral potential", Dr. A.H. Byers, Associate Professor of Geology at the University of Saskatchewan, said Friday.

"Dr. Byers has been doing geophysical and geo-chemical exploratory work in this area for three years on behalf of the Department of Natural Resources. Tests indicate high copper, zinc, nickel and lead potential, Dr. Byers said. These were the minerals being mined about 50 miles to the east by the Hudson Bay Mining and Smelting Company in the Flin Flon area."

And I know that Dr. Byers is right, because I have been in that area and know the possibilities that are there. For those that understand something about mining, there is a fault that runs right through Deschambeault Lake past the settlement of Pelican right up to Reindeer Lake, probably about 100 miles or more; something very similar to what is found in Ontario, I think near Sudbury.

There is one other matter I would like to suggest to the Government; they may not like it, but I think this is the proper place to say it. I suggest that, when we get these mining companies developed, and they are in production we should levy a tax on them. I will illustrate. In the area of Creighton we have a mining Company that took out of this province a net profit of \$22 million or more last year. It is not going to hurt them if we put on a tax which can be used either for hospital services or for some other purposes, such as education in the province of Saskatchewan. Certainly we could use this money to build some of the roads that we so urgently need. I am going to tell you what they have. They have mine shafts; they have machinery there; they built a railway over a distance of 20 or more miles; they have their own highways, which they built at a cost of about \$30,000 a mile or so to the mine. I suggest to the Government that if we tax the people in Buffalo Narrows, Lac la Ronge or in any small community in this province for the purposes of this province, then it is just as fair to tax the mining companies for the property they have outside of the settlements where the local authorities cannot tax them.

I would suggest, also that some thought be given in this matter of taxation to see that the money goes into the treasury of the province such as taxes from a pulp mill. It could be possible that there might be an assessment on that pulp mill if and when it is built (and I think it is going to be pretty soon) and it could have an assessment of \$20 million or more. The municipality in which I live has a total assessment of \$1,300,000. If the municipality assessed this pulp mill, then the local people would be required to pay few taxes, if any, but I believe that that pulp mill should contribute through taxes to the treasury of this province, and I believe that every industry such as the industries outside of the city of Regina, where the city

cannot tax them, should be taxed by this province, and the tax money should then be distributed to the province through equalization or some other way.

I have much more that I could speak upon, Mr. Speaker. I have some interesting letters from people I would like to read. I don't know whether I should, but I think I shall. I have to go back to what I said at the beginning – that a lot of our difficulties in government, whether it is provincial or the federal government, is because of bureaucracy, and no government is to blame for it. We have a treasury board in Ottawa that tells the Prime Minister and his Cabinet what the current fiscal policy should be – that's the real government behind the scenes; and we have advisers in this Government. It has to be that way, but we have to be careful about bureaucracy, and I want to mention this, and I hope there are civil servants here to hear me. I know of cases where income inspectors go into communities and threaten people. This is not good public relations. I want to say this also, that when our staff, men who are paid good wages, administer affairs for the people of the north who haven't had the opportunities of education, if they consider them and say they are riff-raff, then they are just as bad as the income tax inspectors, I have mentioned.

I had to get this off my mind, Mr. Speaker, because it is generally known that both Dominion Government civil servants (just a few of them) and a few of our own civil servants, have taken that attitude of superiority. It is not good, and I hope if any hear what I have said, they will behave differently in the future. But on the whole I will say this about the civil servants. I have been associated with many of them; some of them do not think politically as I do, and probably vote for other political parties; but I am sure that probably 99.9 per cent are the finest kind of people you will find anywhere, interested in their work, trying to do a good job, and advising their superiors what they consider would be good for the people and the province of Saskatchewan, and for their loyalty. I think they should be commended.

The one or two I have in mind who have strayed, just like our hon. friends opposite have strayed from the rest of the people of Saskatchewan, we will try to correct and we will forgive.

Mr. Speaker, I have been trying to find a letter just to show you what I mean, because I am not happy when I get letters of this nature. I will not read it all; I hope the hon. members opposite won't think that I have typed this out or anything. It is a very interesting letter, and is from a person who is not a white man, as some people refer to themselves. He comes from Indian stock, and I was interested in the kind of language he uses, and he says this – I'm not going to bring up what he says, I just want you to see the kind of language they can use, and the kind of education they have. They are just simple, ordinary people, and I would like the hon. member from Turtleford (Mr. Foley) to try to understand this one:

Mr. Cameron: — Give it to the Minister of Health.

March 14, 1957

Mr. Berezowsky: —Here is what he says:

“If the purely administrational forms of the executive arm of the Government can override any established judicial procedure, or any minions of that Anglo-Saxon enclave of maladministration which is particularly obnoxious to the Northern native, it is clearly not only maladministration, but oppression.”

Now, that is how simply they write letters. With that, Mr. Speaker, I repeat that I am going to support the budget.

Mr. Cameron: — Mr. Speaker, I wonder if the hon. member would permit a question?

Mr. Berezowsky: — Yes.

Mr. Cameron: — I was very interested and followed very closely your discussion of the mineral area of the north; how it should be developed. I was wondering if you were prepared to tell us how you would get the mines sunk in the north, and who you would ask to do that work?

Mr. Berezowsky: — I think that question is very easily answered. I know what you expect me to say, and I agree with you — private capital.

Mr. Cameron: — Private enterprise?

Mr. Berezowsky: — No, private capital and public capital, and if you want me to go into a dissertation then I can tell you that, if the Dominion Government gave the same kind of deal to the Canadians that they give to the Americans, we would have much more capital invested in mines. Look at the income tax laws!

Mr. Cameron: — Private enterprise.

Mr. Berezowsky: — Look at the income tax regulations.

Mr. Speaker: — Order!

Mr. Cameron: — Or your friends, private enterprise.

Hon. Mr. Willis (Minister of Public Works): — Mr. Speaker, I beg leave to adjourn the debate.

(Debate Adjourned)

CANADIAN WHEAT BOARD

Moved by Mr. Dewhurst, seconded by Mr. Johnson, (Kerrobert-Kinderlsey):

“That this Assembly, through the appropriate governmental channels, requests the Government of Canada to pass the necessary legislation to put the Canadian Wheat Board on a permanent basis.”

Mr. F.A. Dewhurst (Wadena): —Mr. Speaker, in rising to move this motion which appears on the Order Paper under my name, I do so with the feeling that if this principle which is enunciated in this resolution were to be carried out, it would give considerably greater security to the grain farmers of western Canada, and to the grain farmers of eastern Canada, too, for that matter, although the grain economy is not as vital to the eastern farmers of Canada as it is to be western farmers. You will notice on this motion that it is a concise, clear-cut motion; it cannot be construed as a double-barrelled motion, asking for two things in the same motion. While there are points I would like to have included pertaining to the Wheat Board, I deliberately, when framing this motion, stayed exactly to just the one point.

For the benefit of members here, I would like just briefly to go over the history of the Canadian Wheat Board. I do not intend to take very long, Mr. Speaker, because I believe that pretty well all the members of this House are fairly well acquainted with the Wheat Board and its history. The first Wheat Board we had was back in 1917. It was then known as the Board of Grain Supervisors. That came into being on June 11, 1917, during the First World War. Wheat was a very vital commodity at that time for our allies overseas, and it was thought that, if the speculative system was going to be allowed to continue, wheat prices would rise so high that the grain would not be available for our allies; also certain individuals, or groups of individuals, were buying up options on the wheat at that time on the Winnipeg Grain Exchange. The Government of Canada of the day feared that there may become a corner on the wheat so they instituted the Board of Grain Supervisors. This was followed in 1919 by the Canadian Wheat Board, and then the Canadian Wheat Board was abolished in 1919 by the Canadian Wheat Board, and then the Canadian Wheat Board was abolished in 1919. Then the farmers of the west, realizing that the Wheat Board had been of great value to them in stabilizing the price of wheat, put on pressure after that time, asking that we have a Wheat board, some orderly feature of marketing. But the Government of the day refused to give them an orderly marketing system, so consequently the three prairie Wheat Pools were set up in the early ‘twenties. The Alberta Wheat Pool was set up in 1923; the Saskatchewan and Manitoba Wheat Pools were set up in 1924. This continued up until the end of the better part of the 1920’s.

On the whole, by and large, the Wheat Pools did a very successful job. They did secure some stability for the grain growers of the west. But in 1929, when the crash came, the grain crash, along with everything else, went tumbling down. The Wheat Pools (as we all remember) at that time had made initial payments on their wheat, but the prices came tumbling down so fast that the initial payment became greater than the final payment would be. Consequently, the Pools were in a serious situation. The Government of the day did not come to the assistance of the Pools, but they did come to the assistance of the banks. They guaranteed the banks that the money which the banks had loaned to the Pools would not be lost; they would make up the difference, if the Pools were unable to pay.

The Wheat Pools have, since that time, repaid all the money which the banks were guaranteed by the Government on their behalf. In 1929, or just shortly after that time – I have all the exact dates here in front of me, Mr. Speaker; but approximately 1929 or 1930 there was considerable pressure on the Federal Government asking for assistance for the west. We all recall the famous ‘five-cent speech’ of Mackenzie King, when he said he would not give a five-cent piece to any Conservative Government. Mr. Speaker, that money wasn’t requested by the west to help the Conservative Government, it was requested to help the economy of western Canada; not just Saskatchewan alone, but the whole west. And we always want to keep in mind that when agriculture is depressed, especially in western Canada, so is the rest of our western economy. Far more was it true then than it is today, because industry by and large, in the four western provinces, has considerably increased to what it was 25 years or 30 years ago.

Shortly after that famous ‘five-cent speech’, Mr. Mackenzie King and his colleagues were replaced at Ottawa by Mr. Bennett and his colleagues. The pressure was brought on Mr. Bennett to bring in a Wheat Board. He consistently refused to do so. It was not until just before his term of office expired that he did bring in legislation to set up a Canadian Wheat Board; in face of opposition from the Liberal party in the House of Commons at that time and Hansard (if anyone wants to take the time to check it) reports the debate that took place. The Liberals then were in the Opposition, and fought that Bill tooth and nail until some of the better features were deleted from it. Then the Canadian Wheat Board functioned on a voluntary basis. It functioned to the extent that, as long as the wheat on the open market did not drop below a given price, the Grain Exchange was free to take all the grain. If it fell below a certain price, then the Wheat Board would step in and buy the wheat out. So what it actually did do was to put a floor price on the wheat.

Also back in those times after the Wheat Board was set up, during the 1939 session of Parliament the price was then set at 70 cents a bushel for No. 1 Northern at Fort William, Port Arthur, Vancouver. An amendment also limited the amount of wheat that they were to take delivery of from any one producer to the extent of 5,000 bushels. All they would guarantee was 70 cents a bushel for 5,000 bushels to any one producer. However, in 1940 there

was another amendment to the Act, and the 5,000 bushels limitation on deliveries to the Board was removed. Provision was made for storage payments on farm-stored wheat at a rate not greater than that established at country elevators. So back in 1940, the Federal Government did agree at that time to pay storage on farm-stored grain under the Wheat Board, but it was not to be at a rate greater than that paid at country elevators.

It is also very interesting to note, Mr. Speaker, that some of the clauses which were passed in 1935 when the Wheat Board Act was before Parliament, were not proclaimed until March 27, 1942. It's all right to say you have legislation on the Statute Books, but if it isn't proclaimed it does not help; and some clauses which would have been beneficial to the west which were passed in 1935, lay on the Statute Books and were not proclaimed until March 27, 1942. It was not until about 1943 that the price of wheat, after four years of war, went up above 90 cents per bushel.

The Wheat Board, throughout its history, has never been set up satisfactorily to the farmers in a number of respects. We have consistently in this House and one the hustings, along with our colleagues at Ottawa, fought to put the Wheat Board on a permanent basis, not a temporary basis. Just recently there was an amendment to the Wheat Board Act at Ottawa which extended the life of the Wheat Board for another five years. I, on behalf of the farmers whom I have the privilege to represent, believe that a Wheat Board should not be there just for a five-year period, and always be the subject of attack by the Winnipeg Grain Exchange, and the friends of the Winnipeg Grain Exchange. The Wheat Board should be put on a permanent basis. Steps should then be taken to give the Wheat Board the authority and power so that they can do the job for agriculture that should be done.

We cannot blame the Wheat Board for the lack of things they should do, or for the conditions agriculture finds itself in now. The Wheat Board can only function within the powers that are allocated to them by the Federal Government. Some of my friends opposite are quite ready, at any time we suggest that different things should be done in order to give the Wheat Board more power, to say we're attacking the Wheat Board, and we should be careful in attacking the Wheat Board because we may be destroying it. Mr. Speaker, there is not, and never has been, a member on this side of the House who has supported this Government, who has advocated either directly or indirectly, that the Wheat Board should be abolished or removed. We have consistently fought to protect the Wheat Board; we believe that additional powers should be given to the Wheat Board so that they can do a proper job.

The present situation of the Wheat Board is that they know they are extended for another five-year term; but how can the Wheat Board and its officials start planning for a long-term agricultural policy, or for the marketing of wheat, when they don't know whether they will be in existence in another five-years' time? If the Government at Ottawa five years from now does not renew the Wheat Board Act, they would automatically go by the board. Consequently they cannot set up the long-range selling agencies which they should set up, nor can they set up the other technical staff which they should have in order to do a good job; so we believe they should be put on a permanent basis, whereby those things can be done.

Mr. Speaker, I don't think it is necessary for me to elaborate any more at this time on the Wheat Board. I think most members understand it; but these were a few points in the history of the Wheat Board that I thought I would like to bring before the members of the House for their consideration at this time. I take great pleasure in moving, seconded by Mr. Johnston, the above motion standing in my name.

(The Motion was agreed to unanimously.)

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Brown:
“That **Bill No. 51 – An Act to amend The Saskatchewan Insurance Act** — be now read the second time.”

Mr. J.W. Gardiner (Melville): — Mr. Speaker, after reviewing Bill No. 51, most of the terms and the changes seem to be more or less elementary at the present time. That being the case that there is not any great change in principle, or a great many changes in the Act, we are prepared to wait until Committee to make any suggestions that we might have in mind, or any questions with regard to the changes which the Minister is proposing in the Insurance Act.

(The Motion for second reading was agreed to, and Bill referred to a Committee of the Whole at next sitting.)

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“**Bill No. 59 — An Act to amend The Fuel Petroleum Products Act.**”

Hon. C.M. Fines (Provincial Treasurer): — Mr. Speaker, the amendments pertaining to The Fuel Petroleum Products Act are not matters of vital importance, of any new principle. They are either for the purpose of clarification, or for changes necessary as the result of an agreement that we have made with the Government of Alberta. There will, of course, be a change which will be very vital which will be brought in by way of House amendment. During the Budget Debate I indicated that we would be increasing the tax by one cent. There is no provision, however, for that in this Bill at the present time; that will come in by way of a House amendment when the Bill is in Committee. I move that the Bill be now read the second time.

(Motion for second reading agreed to, and Bill referred to a Committee of the Whole at next sitting.)

Bill No. 60 – An Act to amend The Education and Hospitalization Tax Act

Hon. Mr. Fines (Provincial Treasurer): — The amendments to The Education and Hospitalization Tax Act, may appear to be quite numerous (I believe there are eight sections), yet there is nothing very vital with the exception of the amendment to remove the tax from the purple fuel. I may say this is an Act which was introduced in the Legislature in 1937. Since that time, from 1937 to 1945, during the first eight years of its existence, there were no amendments which removed the tax. Since that time, however, I am afraid that we have pretty well chopped up the original intention of the Act and have lost tremendous amounts of revenue. My officials estimate that we have lost approximately 50 per cent of the revenue by virtue of the amendments that have been made from time to time since 1945.

Stop and consider that at that time, the tax was placed upon all groceries. That has now been removed. The tax on meals has been removed; the tax on second-hand goods has been removed. I recall, for example, that a second-hand car could be sold as many as six or eight times with the tax having to be paid each time, until we took steps to remove it. The tax on school textbooks has been removed so that today there is no tax on them. The tax on drugs is something which has been of tremendous importance, particularly during recent years with the sharp increase in the price of drugs, both for old types of drugs and new developments in that field. This has meant a great deal; and, of course, the removal of the tax on hearing aids has also been something which has been appreciated by our elderly people who have had to purchase this equipment.

One could go on to discuss other exemptions – grasshopper bait, which was a very important item during the years when we had the great influx of grasshoppers. The amount of revenue which was lost to the province, and the amount which was saved by the farmers, was very substantial. The same is true of many of the machines from which it has been removed, and also fertilizer. Fertilizer has become a very important part of the expenditure in the production of a crop in this province, something that amounts to a very considerable amount each year. In fact, I believe that in the case of many farmers the annual savings, through having the tax removed from fertilizer, would be even greater than the tax which we are removing by the second reading of this Bill tonight.

Mr. Loptson: — Mr. Speaker, I would like to ask the hon. Minister a question.

Hon. Mr. Fines: — Yes.

Mr. Loptson: — I bought a lot of fertilizer way back in 1935, 1936 and 1940, and I never paid any Education Tax on it.

March 14, 1957

Hon. Mr. Fines: — You certainly did. If you didn't just let me know the date in 1940 that you got it, and we will still be able to collect it from you.

Mr. Loptson: — Somebody else paid it.

Hon. Mr. Fines: — Certainly it was not on in 1935 or 1936, you're quite right, because in those days there was no tax; but when the tax was put on in 1937 it was placed on fertilizer.

Hon. Mr. Brockelbank: — You didn't buy any fertilizer, not since 1937.

Mr. Loptson: — I bought some in 1940 and 1943, and never paid tax on it.

Hon. Mr. Fines: — May I just make a note of this. What were those dates again? Mr. Speaker, we removed this tax about 1949 or 1950, and I can assure my hon. friend that if he didn't pay the tax, he has certainly, or should have, a guilty conscience; he is owing the Saskatchewan Treasury Department money.

Mr. Loptson: — They've never asked for it.

Hon. Mr. Fines: — Now, Mr. Speaker, I need not say more. I know this move has been popular. I want to say that this is in line with the policy we enunciated in 1945 in our first Budget Address, when we said we were going to progressively remove this tax, and make it more equitable. I want to assure my hon. friends opposite that we have not needed them to advise us as to when we should remove these. As a matter of fact, the great majority of the articles which have been exempted from tax were exempted even before they realized they were there. In recent years . . .

Mr. Loptson: — You didn't do it though until just before an election.

Hon. Mr. Fines: — No, that's another thing, Mr. Speaker. I hope the hon. friends will notice. We have been accused of raising taxes right after an election. Here is a tax that we have removed right after an election.

Mr. Loptson: — But you put a new one on!

Hon. Mr. Fines: — Let's get full marks for that, now; let's never forget that. This tax has been removed a year after an election.

Mr. Loptson: — Tell them about the new ones you've put on.

Hon. Mr. Fines: — I think this is further proof that this Government is never motivated by political greed.

Mr. McFarlane (Qu'Appelle-Wolseley): — Creating a precedent.

Hon. Mr. Fines: — Mr. Speaker, I move second reading of this Bill.

(Motion for Second Reading agreed to, and Bill referred to a Committee of the Whole at next sitting).

The Assembly then adjourned at 10.00 o'clock p.m. without question put.