

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session – Tenth Legislature**  
**45<sup>th</sup> Day**

Tuesday, April 1, 1947

The Assembly met at 11:00 o'clock a.m.  
On the Orders of the Day.

**ADJOURNED DEBATES**

**RESOLUTIONS**

**RESOLUTION RE – DEVELOPMENT OF SASKATCHEWAN RIVERS'**

The Assembly resumed the adjourned debate on the proposed Resolution of Mr. D.H. Heming (Moose Jaw City):

That this Assembly, through the Provincial Government request the Federal Government to give immediate consideration to and take earliest possible action on development of the Saskatchewan Rivers to provide:

1. Waters for irrigation of:
  - (a) land served by these river systems;
  - (b) Land in the Qu'Appelle Valley, and adjacent thereto, and any land lying adjacent to dams on the South Saskatchewan River if developed for power purposes.
2. A much needed source of water supply for the cities of Moose Jaw and Regina, and for urban communities within the serviceable area;

and urge the said Government to expedite all engineering, agricultural and economic surveys necessary to determine the location of dams on such river systems suitable for power development similar to have suggested in the "Acres" Report for Fort a la Corne."

**Hon. W. Patterson** (Cannington): — Mr. Speaker, with specific reference to the possible development of the South Saskatchewan River to provide a certain services and improvements, the question really involves a much wider field and the debate which has taken place to date would indicate that. With reference to the matter of water supply, water conservation and irrigation, all of these things are of very great interest and of very great importance to many parts of the province as well as those immediately adjacent to the river system referred to. A discussion of this matter, Sir, is one that involves a great many factors. Many of these factors are beyond the understanding or information of the average layman and it might have been advisable before this House went on record in reference to a matter so important, but which involves so many technical engineering and other problems, it might have been advisable, Sir, had we made some effort to secure authoritative advice and information. Personally, I think it is a mistake for this House to just go on record and say we favor something without knowing something about which we are registering approval of and when I say that, I don't wish to be understood as minimizing in any way my appreciation of, or my support of, any measure of water conservation, water development, irrigation, power development or any of these other things that

**April 1, 1947**

are possible, but as I say, I think it is rather a mistake for a representative and a responsible body such as this to just plump its vote, so to speak, without knowing altogether what it is talking about and I would suggest that perhaps in another year if this matter is to be considered that before going on record and registering our opinion, if we are to attain any status or maintain our position in the eyes of the public, that opinion must be based on sound information, on the very best technical advice that we can get. Now I have all due deference to the Hon. Member for Lumsden, but he told us in the House that he had an engineer that was prepared to build a dam at Outlook for \$5 million. Well, I rather doubt whether the House should accept ...

**Mr. Thair:** — On a Point of Privilege. I made no such statement.

**Mr. Patterson:** — It was in regard to Elbow.

**Mr. Thair:** — I made no such statement. I could show you the scripts.

**Mr. Patterson:** — Well, in any event that sort of statement, Sir, is not sufficient for this House to place its deliberate and decided approval on and ...

**Mr. Thair:** — I would like him to quote what I am supposed to have said.

**Mr. Patterson:** — Well, I can't propose and I don't propose at the moment, because I can't remember the exact words, but that is the impression. He said, that he had an engineer who reported or who had stated that a dam could be built at Outlook or at Elbow, I forget which, for \$5 million. When I asked him to name his authority, he refused to do so and certainly the hon. Member will remember that incident.

However, Sir, that is only a suggestion and I think the House would strengthen its position when dealing with these kind of matters if, before coming to a final conclusion or placing itself on record, it should delve very much more into the facts of the case and ascertain what the conditions actually are before proceeding to register its decision.

The Hon. Member who introduced the Resolution provided us with a new slogan, "Ask and ye shall receive." Well, that slogan served its political purposes in past days, but more and more people in this province are beginning to realize that those services and other governmental activities provided by governments have, in the long run, to be paid for by the people and I think it is becoming more and more evident to the people of this province that if they are going to 'ask and receive' that subsequently there will be a pay day and for that reason I think they are more and more looking to us to approach these matters on a sound and practical and business-like basis.

Now, fortunately for us, in Saskatchewan to a partial extent at least, and to a considerable extent, we have an authority which has proved it by its record, that it has been prepared to make a very substantial contribution to the needs and

requirements of the Province of Saskatchewan with respect to the conservation of water, the development of water supply, or irrigation and related matters. There is definite and concrete evidence by reason of the fact that up-to-date the Government of Canada has expended approximately \$25 million for these purposes and there is very indication that they propose to continue that policy and every indicating that they propose to increase the scale of those expenditures. I think, perhaps in this respect the situation is rather interesting.

The expenditure for these three or four specific purposes have up to the present time been confined to the Province of Manitoba, Saskatchewan and Alberta, but it has been necessary for the people or the representatives of the people, in all the rest of Canada for these expenditures made in this prairie region and I must say that at this time we are under a debt of gratitude in this province to men like Mr. J.R. McNicoll of Toronto, who has no personal interest in western Canada, who is not of the same political faith as the major political parties operating in these provinces and who, notwithstanding that fact, has devoted many years of energetic and untiring service to promoting, not only in this part of Canada, but to promoting and the support of this work and this type of activity in other parts of Canada that are not so directly interested.

Fortunately for us all, Sir, this matter has never been one of political controversy and so far as I am aware, all of the political parties realize and appreciate the importance, yes, the necessity of us doing everything that is reasonably and practically possible to conserve our water supply and to make the best use of it. Now so far as the Liberal Party is concerned, there is no question about its position. From the outset it has supported and as I will shortly indicate, in a practical way, demonstrate where it stands in regard to this matter and in view of that fact, I think it is rather unfortunate that in this House bits of statements, clauses, or sentences from speeches made by men who have, by their whole record, indicated their genuine interest in and support of these matters, should be – I won't say distorted – but should be used to try and create the impression that several men in the public life of this country, who have given sincere and worthwhile support to these matters, that their position should be misunderstood and misrepresented.

I say, the matter is too big and too important and it has been in the main a non-political issue and I regret, personally, that opportunity has been taken, as I say to take a sentence out of some statement that Mr. Gardiner made on some occasion to take a sentence out of a speech that somebody else made somewhere else, to prove a case which is contrary to the concrete and definite evidence that is available or should be available to any who are interested in this matter.

The water conservation policy will include these activities which I have referred to, Sir, under one title. The water conservation policy is administered by the Federal Government, is administered in western Canada, in the three Prairie Provinces by what is commonly and popularly known as the PFRA. The PFRA Act was passed in the Federal parliament in April 1935 and it was under the Government headed by the Hon. Mr. Bennett. Very soon after that there was a change in government. I think the PFRA had begun some limited operations prior to the change of government, but all due credit to Mr. Bennett and his Government for the initial steps which he took and for the very substantial foundation which he laid.

**April 1, 1947**

Later on in 1935, Mr. Gardiner became the Minister of Agriculture and this activity came under his direction and administration. Having a very intimate knowledge of the problems and difficulties and the possibilities of this part of Canada, Mr. Gardiner immediately began a very energetic program in promoting and extending the activities of the PFRA. I am not in a position to say, Sir, what was in the minds of those who drafted the first Act, but I think at that time, in view of the conditions which existed, that the primary purpose was to provide and preserve a water supply mainly for individuals or for communities. True, the Act covered a wider scope than that, as you will remember very well, Sir, the situation in 1935 and at that time the problem of water supply was an individual problem with thousands of farmers on these western Prairies. They had a considerable vision no doubt, as the drafting of the original Act will indicate, but as I say, I think perhaps in the first instance they were more and primarily concerned with the matter of providing a water supply for individual farmers or where that was not possible, for communities and connected with that, of course, was the problem of soil drifting which was so severe at that time. But in any event, very shortly after Mr. Gardiner took charge of this activity and by an amendment to the original Act, he considerably enlarged its scope and its application to include land utilization, the establishment of community pastures and a more or less what you might call an educational or cultural program. In other words his vision and his ideals in connection with this activity extended far beyond providing an individual farmer with a dug-out or building a little dam to serve a community and I can remember at the time, as Premier of this province, certain negotiations which took place with the Federal Government, with Mr. Gardiner or with his representatives of his Department which resulted, for instance, in the development finally of the Val Marie irrigation project and more later in the development of the Cypress hills.

The PFRA also, Sir, has been fortunate in having the service of qualified men who have managed its affairs. Its first director, if that is the proper term, was Mr. L.B. Thompson, Superintendent of the Experimental Farm at Swift Current and for a number of years Mr. Thompson carried on, but naturally the activities and work of this organization grew where it was beyond, not the ability of Mr. Thompson, but the capacity to carry on this along with his ordinary and his regular duties in connection with the Experimental Farm, so that in 1938, Mr. George Spence, the present director of the PFRA was appointed to his present position.

Now, I think all of those who know Mr. Spence and irrespective of their political leanings or political affiliations, will give him credit for a number of qualities. First, for an intense interest in this class of work, in this particular type of activity brought home to him by a long residence in the area where drought and crop failure had been most prevalent. Second, they will give him credit, I am sure, for an intense activity a tireless man and many instances of that in his previous activities could be quoted to prove that statement and thirdly, I think Mr. Spence would be credited by all men who know him, with an intense integrity and an outright and ultimate honesty. I think all of us could give Mr. Spence credit for those qualifications and many others, but in any event and when I say that I am not belittling in any way the work done by Mr. Thompson, now I have an equally high regard for Mr. Thompson, who laid certain very solid and practical foundations, but who was connected with the PFRA activities for, I think, about two years

in its formatted stages. Now, secondly, I think that all of those who know Mr. Spence or know anything about his work will give him credit for having given during the period that he had been director of that operation, the very best that was in him, that he has never spared himself and that he has been interested in that and nothing else and that he has a picture, that he has a vision of the possibilities of what might be accomplished and that he will never cease in his strivings to reach that objective or to attain that end.

In connection with the activities of the PFRA over the period of now 12 years, or nearly 12 years, a great deal has been accomplished, again maybe I should apologize, Mr. Speaker, for departing somewhat from the actual text of the Resolution, but you have allowed on this debate previously a good deal of latitude. I wanted to try to impress this House with the fact that the whole operation of this phase of Federal Government activities has from the outset been characterized with an energy, with an activity and with a success, but does not always associate itself with governmental activities in general. Up-to-date, for instance, over 33,000 small water projects have been provided either for individual farmers on their own farms or in the form of community watering places and small dams. For that purpose, \$3.5 million has been expended. Larger water projects and the Government of Saskatchewan will enjoy the benefits or partial benefits of one I have in mind, the dam at Weyburn.

There are similar rather large scale dams to the number of 50 that I think every Member of the House knows something about, the community pastures that have been established. They also know something about the experiments that have been undertaken to control soil drifting, to undertake re-grassing to build shelters and that sort of thing and associate with those, of course, the work that has been involved in transporting or transferring, moving settlers from one area to another, where their chances of success will be considerably better. Then a great deal has been done in connection with soil research and soil surveys to determine the best use which can be made, the best forms of cultivation to encourage and the best types of products, grain and fodder and that sort of thing.

Now in addition to that, a great deal of individual assistance has been given to farmers in the way of engineering advice in developing their water projects. We were told by the representatives of the Matador Co-operative Farm that the PFRA had assisted, in fact I think if I remember correctly, the PFRA built the dam from which veterans on that particular farm expect to obtain or are obtaining their water supply and from which they expect to irrigate, I forget, but a limited number of acres, but enough to insure them of a fairly substantial fodder supply, so that I say, I don't think in this House we should pass any resolution which even, by inference, reflects on the sincerity of the PFRA.

Mr. Speaker, I quite realize that the PFRA is not referred to in the Resolution, but it is known by practically every man, woman and child in Saskatchewan at least, that the PFRA is the Federal Government's water conservation organization. Now there is another phase of water supply and that has to do with water supplies for our urban communities and this insofar particularly as the cities of Regina and Moose Jaw are concerned is a very old and long standing question.

In 1914 or 1915, certainly at the outbreak of the First

April 1, 1947

Great War, a project had been engineered and specifications or what you might call it, had been prepared which for the purpose of providing a water supply from the South Saskatchewan River to the cities of Regina and Moose Jaw and the municipalities along the route and a vote was taken; the cost was to have been borne by the municipalities concerned, a portion among them I presume in relation or proportion to the value and a vote was taken. The Federal Government at that time wasn't in the picture at all; this was to be entirely a municipal undertaking and the result of that vote is that while the two cities concerned voted in favor of the project, the urban municipalities along the route opposed it and as a result it was defeated, so that for the time being it was dormant.

Another phase and one that is receiving increasing consideration and attention by the people of this province, is the matter of irrigation, the possibilities of irrigation. As I said at the outset, I question very much whether those who framed or drafted the original PFRA Act had in mind that that activity would ever embark upon any very large or very substantial irrigation project. As I have already pointed out, the first major irrigation project in this province and in relation to some of those in Alberta, it is comparatively small, but I say major irrigation project because we must bear in mind that for many years many ranchers, particularly in southwestern Saskatchewan, had developed comparatively small irrigation projects on their own. They used it to flood their hay meadows and to insure a supply of fodder. Now the first irrigation project, the major irrigation project, or one with any consequence in Saskatchewan, was undertaken in, I forget the years, Sir, but I think it would be 1937. I may not be correct in that exactly, but about that time, by the PFRA in the Val Marie District and on that occasion the Provincial Government came into the picture because a considerable portion of the lands which would come into the irrigated area were the property of the province. I remember a number of conferences negotiating with the PFRA representatives and with the Federal Government representatives before an agreement was finally reached, but in any event finally as a result of co-operation between the province and the Federal Government the Val Marie project, the Val Marie dam was constructed. A certain area below the dam was prepared for irrigation. Subsequently similar projects were carried on at Maple Creek and at Cypress Lake. The Province of Alberta had, of course, a very much longer, a much more comprehensive experience in connection with irrigation than has the Province of Saskatchewan because as I have just said, these three fairly large and yet in relation to some of the projects in Alberta, comparatively small projects, are all that we have had experience with in this province and those only over a comparatively short period of time.

In Alberta – and those Members of the House who were attendant at the Board of Trade Banquet in the hotel some weeks ago will remember the story that was told to them by the speaker who came from Lethbridge and who had very substantial first-hand information.

But I think to sum it up briefly, we might say this, Sir, the experience in Alberta has proved this: first of all that if the individual who is to benefit from the results of irrigation has to pay the capital cost or even any substantial portion of it, it makes it impractical. In other words, the capital cost has to be borne by some governmental authority and that's been proven in Alberta, both with respect to irrigation projects that were undertaken by the Irrigation Districts which were

municipal or what you might call a community affair, it evidently was the experience of the private companies because the CPR expended a very substantial amount of money running into, I think, some \$20 million on the development of a irrigation district and in the end turned it over to the settlers practically free of cost. In fact I think they gave them a donation to take it over, so that it is very evident, I think and again I speak only as a layman and without a sufficient examination of these things to speak with authority, but I think it is very evident that the capital cost of irrigation projects in Alberta and Saskatchewan cannot be borne or cannot be paid by the individual who lives on the irrigated land, but on the other hand it does appear from what the gentleman from Lethbridge told us and from what other information we can obtain. Once the capital costs have been provided for, the individual operator can pay and should pay probably the operation and maintenance cost of the scheme, which supplies him with this water.

As I have said, of course, that involves efficient local administration, efficient local operation and management of these concerns. Sometimes I feel that those who advocate irrigation so strongly are inclined to forget that there are certain difficulties and certain objections in connection with irrigated farming or irrigation farming and it is not all sunshine anymore than any other occupation that any of us happen to engage in in this life. It has been, I think, the experience in Alberta that it is rather difficult to convert the dry land farmer to the task of going around with rubber boots and shovels keeping the ditches open and keeping the mud out and all that sort of thing. Again, when I say that I am not decrying or reducing in any way the merits of the advantages of irrigation but as I say it is not all sunshine and we mustn't accept irrigation as the complete answer for all of our problems even in those areas where irrigation is possible if the time should come when it is provided to them. You see we suffer one disadvantage in this province particularly in relation to other places south of us where irrigation has been such a pronounced success. After all in Saskatchewan even with irrigation, our growing season is a comparatively short one, all possibly with certain projects such as alfalfa, you may grow two and possibly three crops in a season, but down in California where we hear so much about the success of irrigation, I am told that down there in some of those projects they grow three, four or five different crops on the same plot of ground during the course of the year. Well, now, of course, we don't enjoy that advantage. However, when I say that, I am not minimizing, in any way, the value or the importance of irrigation.

Shortly after the First War a gentleman called William Pierce made an elaborate, I don't know how an intensive study it was, Sir, I think because of the extensiveness of the area which he covered in the size of the project, it must have been more or less of a reconnaissance survey, but in any way Mr. William Pierce studied and made a report on what is usually referred to as the Pierce Project. Now that was a very large and a very elaborate irrigation project which started somewhat somewhere up in central, perhaps north central, Alberta and came down between the North and South Saskatchewan Rivers into the Kindersley-Kerobert country over through Rosetown and all through there. Now he had in mind in that project two ideas, one to bring a tremendous area under irrigation and secondly, to provide work or employment. I think it would be fair to say that that scheme has never been sufficiently investigated or studied in detail to determine whether it is sound or practical.

**April 1, 1947**

I have heard many arguments in favor of it and many arguments against it. I am afraid many of those arguments are, like my own, not sufficiently well based on accurate information to enable a person to make an honest and a satisfactory decision, but in any event we heard a great deal about the William Pierce project and I think when our friend from Elrose was talking about hearing the South Saskatchewan River project talked about for the last 18 or 20 years, he had that in mind. Well that, Sir, is an entirely different matter and it is not the use of the South Saskatchewan, if any water is used in that project from either the Saskatchewan Rivers, it was from the North Saskatchewan River, but more recently the project which is the immediate topic of the Resolution has begun to receive consideration. Now just when that first began to be considered I cannot say. I am quite sure that when the men who drafted and made law the original PFRA passed that Act, they did not have in their mind any such ambitious or comprehensive, expensive scheme as the South Saskatchewan River project and that we have progressed from 1935 until now, to regard this as a sort of everyday to go and build a \$100 million dam on the South Saskatchewan River indicates two or three things, Mr. Speaker.

It indicates, first of all, the extent to which the public mind and to which public opinion has begun to realize, first of all, the importance of water development and water conservation. Secondly, it indicates the extent to which the governing bodies of the country are prepared to expend money for these purposes and, further, it indicates to me, Sir, the forward movement, the vision and the energy and the foresight of the men who direct and administer PFRA activity. What does this involve? Many great dams have been built in various places on the face of this globe, Mr. Speaker, but the great majority of these really large dams, such as Boulder Dam and dams of that kind have been built on rivers which flow in rock valleys or their foundations, their valley is of rock and, of course, the dam in that case is constructed of concrete, but only in comparatively few cases have major dams such as well have to be built on the south Saskatchewan River, if the project that we envisage is to be a success, will have to be built of clay or earth. Two or three of those kind, of that type of dam have been built up to the present time. I think the largest in the world is at Fort Peck and it wasn't built in a year or in two years or in three years. I presume that from the time it was started until it was completed, probably some 10 or 12 years elapsed. The American Government at the present time is developing plans to build, what is called the Garrison Dam, somewhat further South; I don't know just the exact location and they have already spent five years in preparing the plans and making certain of where the dam should be built, how it should be built and all the rest of it, before actually embarking on the project.

If the South Saskatchewan River dam at Elbow or Outlook or wherever it is to be built, is built, Sir, on the scale as presently contemplated, it will be the third largest of all clay or earth dams in the entire world and I think, Sir, that any reasonable man or any reasonable woman would agree that before embarking on a project of this size, of this cost, of this importance, that no authority should be rushed unduly or hastily into action without taking every possible precaution to insure that when it is finally done it is done properly. Before going on with that, may I point out this, Sir, we hear a great deal about what can be done by damming the South Saskatchewan River and this same story was used in the United States in connection



with the Missouri Valley with control or whatever they call it. You must remember first of all that you can't use the same water to provide power and to provide irrigation and to provide for civilian consumption. If you drain the water off into irrigation districts it evaporates. If you run it over the dam to provide power it is gone, it goes down the river and if you pipe it off in drains or pipes to serve the cities or the urban communities it is consumed in that way, so don't get any misapprehension about using the same water over and over again for this purpose and that purpose and the other purpose.

Now fortunately for us there would appear to be possibilities on the South Saskatchewan River where there is an ample water supply to do all these things, to provide a considerable amount of power, to supply the cities of Moose Jaw and Regina and to irrigate a very large area of land, but this must also be remembered, Sir. In Alberta the rivers there which up to the present have been used for irrigation purposes, are practically level with the prairie beside them. By putting in a dam, the water is raised approximately to the level of the land to be irrigated, whereas on the Saskatchewan River, as every Member of this House knows, the Saskatchewan River runs in a bed, in a valley 100 or 200 – I don't know how many – feet deep, but that no matter how high a dam you build, a certain amount of pumping is required to bring the water up for irrigation purposes and that pumping in turn takes away or uses a certain amount of the power that can be developed by allowing a certain amount of water to run over the dam. So as I say, there is a good deal of confusion both as to the possibilities of irrigation and what can be done with water conservation, but in spite of all of those things, Mr. Speaker, and I only speak of them as actual practical facts that must be applied in a sober sensible consideration of the whole situation.

In spite of that mere fortune, it would appear that at an expense maybe of \$100 million, a water supply can be provided on the South Saskatchewan River that will provide water for irrigation, that will provide water for power and it will provide a water supply for our urban communities, particularly in these two cities. Now, I think in a question of this kind we might with more justice to ourselves, approach it from what it primarily is, the point of view of an engineering project, rather than a political one, rather than whether it is going to effect the bridge at that Saskatchewan Landing or the bridge of the ferry somewhere else, but the first consideration is that economically and from an engineering point of view is it feasible.

Those who are concerned about the Qu'Appelle Valley, if a 100 foot dam is put in at Elbow, it will back the water up so they will actually have to build a dam at Edgetower, somewhere there to prevent the overflow rushing down the Qu'Appelle Valley and not irrigation it, but squashing it out, but I have no doubt that part of the scheme will be an overflow or an outflow at that particular dam which will provide a water supply for the Qu'Appelle Valley. Nobody knows at the present time what this project will cost. A great deal of preliminary engineering and expense was involved and not only expense, that has not been the controlling factor, but the time that was required to do the work necessary to establish the feasibility and to estimate the cost of this project. Not taking them in their order necessarily, but first of all the PFRA has surveyed approximately a million acres which it is considered may be available for irrigation if this project, if this dam is built. Now I am not

**April 1, 1947**

suggesting for a moment, Sir, that the dam will irrigate a million acres, but over a million acres have had to be surveyed and the topography or whatever you call it, taken and the levels and all that sort of thing to determine whether some or any part of those sections which could be supplied with water from this dam.

Then, the location of the dam. As I have already said, Boulder Dam, and I forget the names of the others, a great many of them will be in the minds of Hon. Member, were all built in rock formations where the engineering was comparatively simple. When I say that, it doesn't mean that it wasn't very intensive at that, but as compared with building an earth dam on a clay foundation, the engineering of these other dams that I speak of was comparatively simple and it was necessary if the proposed dam on the South Saskatchewan River was to be built and to say where it was built, that there should be absolutely no doubt left, or absolutely no uncertainty that it was placed at a position on the river where it would stay. I wonder if any person has visualized what would happen to the city of Saskatoon if a dam at Outlook or Elbow, 100 feet high, were to give way. Why what we've read in the papers the last day or two with regard to the floods at Loon lake, it is infinitesimal as compared to what would happen, not only in Saskatoon, but all down that valley if a 100 foot clay dam, built at outlook or Elbow should happen to give way.

The first thing was to make absolutely certain as far as human ingenuity and human engineering could determine that the dam when built was built in a place where, as I say, to the utmost extremity of certainty its permanency could be assured and to do that, Sir, it wasn't just a matter of going down and putting a test hole down here and going a 100 yards or 100 miles down the river and putting another one there. There has to be the most intensive and well correlating boring in various points on the river to determine where a possible foundation might be found. It is quite possible, Sir, and again I am not an engineer, I don't know, there may be only one or two sites in that whole river within the Province of Saskatchewan where it would be practicable, where it would be sound and where it would be safe to build an earth dam of the kind or character that is contemplated.

Those works are not done in a day either, not done in a week, they are not done in a year; but that work has been actively prosecuted by this PFRA over a considerable period and then to be more certain still if that is possible, when they had taken these sums and made these, they called in the man who is generally accepted on this continent as the highest authority on the matter of the construction of earth dams. General Ferguson of the United States Army Engineers, a man who has perhaps had more experience, more knowledge of this type of construction than anybody else, certainly on this continent, or possibly even in the whole world.

Now, surely, Mr. Speaker, that he has only an ... these activities and these actions have only been a matter of sound common practical sense. After all, if we are going to spend a million, a hundred million dollars, not a million dollars, not five million dollars, but a hundred million dollars, because that is what it will probably entail. You know, Sir, that it will cost \$5 million to divert the Saskatchewan River while this dam is being built. You can't build a clay dam and let the water continue running over it while you are building it, that makes

common sense and a new river will have to be built to divert the waters of the South Saskatchewan River while the Elbow dam that is to be at outlook, Elbow, if it is to be at Elbow, is being built. Now that in itself will probably cost \$5 million.

I say, surely we might be reasonable and fair to the authority that have taken this necessary, these sound, these practical and safe steps instead of rushing in and say we want you to build this dam without further study or without further consideration or without further action. I think, Sir, again I say, I think it is rather regrettable that a sentence that was contained in a speech made by Mr. Gardiner at some particular place, should be withdrawn from their contacts and put together to prove that the PFRA or the Federal Government, which carried on the activity through that particular organization haven't done anything, didn't intend to do anything and weren't going to do anything. I say, I think, it is unfair and it is unjust and it does not represent a true picture of the situation. Had we done any less, sir, they would have been unfair to the people of Canada who are putting up the money for this project. If they had neglected any one single safeguard for the protection of the investment by the Dominion of Canada as well as the protection of the people who would be effected, if in the event of this dam being built and in washing out or giving way would be threatened with loss of life and property. I say they would have been true not to their duties or their responsibilities had they neglected to do all the things that they have done up-to-date and there is nothing in the whole record of this organization.

I have outlined some of their other activities merely to indicate that it has not been a dormant organization; on the contrary, it has been one of the most active, one of the most energetic and one of the most successful. I think we might in fairness say to men like Mr. Spence and to men like Mr. Gardiner, "First of all we appreciate what you have done up-to-date and we confirm the steps that you have taken to insure that this project when it is built, is safe, is practical, is sound and is thoroughly worthwhile," but then we may go on and say to them having gone that far, we would like you to press the word forward and bring it to a conclusion as soon as is reasonably and properly possible.

I propose to introduce an amendment to that effect in a very few minutes, Mr. Speaker, but let me go one from that to the further phase of this picture. After all the Provincial Government has some responsibility in these matters and our municipalities have some responsibilities in these matters. The Government of Canada has announced its policy; Mr. Gardiner has stated it. I heard him in an address down here. I think also before a Board of Trade of some similar luncheon, that the Dominion Government was prepared to provide the water storage to build the dams and to dig the main ditches and from there on they expected the Province and municipality or the local water user to provide the facilities that were necessary to utilize the water storage that had been provided under federal auspices. I am sorry to say, Sir, that if in this province we have a fairly substantial irrigation project, where the water supply has been made available, has been provided or made available by the Federal Government and where up-to-date comparatively little or nothing has been done to utilize and I must say that I think in fairness, that examples of that kind do not encourage or would not encourage the Parliament of Canada to vote \$100 million for another

**April 1, 1947**

project in Saskatchewan unless there was some certainty that it was going to be made more use of than the use that is now being made of projects already developed.

So I say we must have co-operation between the Federal Government and the Provincial Government if the ultimate use, the maximum use of projects of this kind is to be obtained. The Provincial Government comes into this in a number of respects. First of all there is a question of water rights. I don't know what the policy of the Government today is, I think it is the same as during the previous administration in connection with these small water projects, when they involved putting a dam across a small stream or anything of that kind, the consent of the Provincial Government to the use of that water, or to that water development had to be obtained. I think it was granted practically automatically and I presume that is still the practice. The question of water rights, that is a comparatively small and minor question. I think the question of water rights involves a great deal more than that. Well then, secondly, there is the question of the share that the province is compared to pay in connection with the construction of this project at Elbow or Outlook in relation to the power development that will be developed. Naturally, I don't think the people of the Province of Saskatchewan can expect the Federal Government to build projects which develop power if that power development involves additional cost. I think they can reasonably and properly expect the province to meet those costs because the province is going to benefit entirely from that power development. Then there is the question of the organization of local irrigation or water users district. If this water is to be dammed up to this height, made available, pumped out unto the prairies in these main ditches, and some organization has to be effected to construct the lateral or side ditches, I forget the technical term, and to control and collect the revenues that will be necessary to keep those in operation. The construction of distribution, that's it, distribution and lateral districts. That goes along with the organization of irrigation districts and Water Users' Association and then there is the very, very important question of the operation and maintenance of these various irrigation plans and Water users' Association, because I do not think, Sir, no doubt it will be wasted; many people may ask for it. I think you will find that after the Federal Government has constructed the water supply or the equipment or the construction that makes the water supply available, that all we can expect them to do is to maintain that. We will have to, as a province, or as municipalities or as Local Irrigation Districts, have to assume the responsibility for the maintenance and operation of these local lateral and distribution ditches.

I understand that in the Province of Alberta, of course, as I have already stated, Sir, they have considerably more experience than we have had and I may say that on the whole, it has been rather a costly experience. A good many millions of dollars have been sunk there, which have to be assumed or will have to be assumed by the Government of the province, in the case of the CPR, by the CPR Company. I surely, we could learn and anticipate in this -province from the experience that they have had there. True, conditions probably are somewhat different, they have as I already stated, many of the streams that they use of irrigation purposes, they are practically on the level with the Prairies and there is no pumping or no expensive construction involved in damming the water up. It is less costly and there is no pumping, as I say. I am sure that we can learn something from the experience of Alberta. I understand, Sir,

I haven't this authoritatively, but I understand, Sir, that in the Provincial of Alberta, possibly because of their provincial experience in the past, the costly one as I have said, the Provincial Government and the Federal Government have now pretty well come to a working agreement as to these various matters that I have referred to. How far the federal responsibility comes where the provincial responsibility steps in, as I say, I understand in connection with water rights and all that sort of thing, they have come to a practical, if not a complete and final agreement. Certainly an agreement that is working reasonably satisfactorily to both parties.

I suggest that in this province something of that kind will have to be developed before we can expect the Government of Canada to spend \$100 million on a dam anywhere on the South Saskatchewan River or anywhere else in the Province of Saskatchewan, so far as that is concerned.

Now, in view of what I have said and I hadn't intended to talk so long, Sir, I am going to move an amendment involving the three points that I have outlined. First of all to remove from this Resolution the implication or the inference that the Federal Government has been doing nothing, has been negligent and dilatory in regard to this matter. Secondly, I want to say that we commend them for what they have done up-to-date. I am going to add to that, the second point, that we asked them to proceed with all, as quickly as possible with due regard to safety and proper administration and all that sort of thing, to complete the work and certainly I am going to ask the Provincial Government to determine its policy on, in regard to the various matters which appear to me to come entirely under the heading of provincial jurisdiction and provincial responsibility.

Consequently, I am going to move, Mr. Speaker, seconded by Mr. Danielson:

That all the words after "Assembly" in the first line down to and including "provide" in the fourth line be struck out and the following substituted therefore:

"commends the Federal Government for the steps it has already taken, through the PFRA to determine the possibilities for the development of the South Saskatchewan River to provide":

and that the following be added at the end of the motion:

"so that it may proceed with the development and construction of such works as may be considered advisable."

And, further, that this Assembly is of the opinion that the Provincial Government should at an early date, and with full and complete co-operation with the Federal Government, determine and announce its policy with respect to the development and construction of water storage and conservation, irrigation and power development in regard to:

- (a) Water rights and their being made available where required in such development;
- (b) division of the costs of power development and distribution;

**April 1, 1947**

- (c) organization of irrigation districts and Water Users' Association;
- (d) construction of distribution and lateral ditches and canals from the main ditches constructed by the PFRA; and
- (e) operation and maintenance of irrigation projects.

**Hon. T.C. Douglas** (Premier):— Mr. Speaker, I don't propose to take very much time, only to just say a few words about the motion and the amendment to it.

First of all, the Leader of the Opposition has repeatedly said this morning that the motion contained some reflection on the PFRA in some inference, that they hadn't been as aggressive as they might have been and that there is some reflection on either the personnel or the policy pursued by this PFRA. I have read the motion over several times and I fail to see any reflection at all on the PFRA or in the work which they have done.

However, I do see here is a request that the Government of Canada should proceed to do some additional work which it is recognized as very essential to the economic stability of Saskatchewan. Now the Leader of the Opposition has, in a quite lengthy speech, come back again and again to the fact that a great deal is being asked of the Federal Government and he says and ye shall receive." He says that the people of Saskatchewan are now becoming aware of the fact that if you ask and receive that some day there is coming a payday, but as far as irrigation in this province is concerned, we have learned, not only to ask and, but we don't expect a payday. We don't even expect to receive unfortunately.

If there has been any misapprehension about and if there has been any clamor on the part of the people of Saskatchewan for large irrigation projects, my hon. friend needn't blame any resolution moved in this House. He can blame the people who, for the last 10 or 12 years have tried to win every election on promises of large irrigation projects that have never materialized.

Now there is no use in talking about taking isolated sentences out of the statements of Mr. Gardiner or anyone else. Those of us who participated in the by-election in the Assiniboia constituency when Mr. Gardiner, on January 6, 1936, became a Federal Member, will remember that the big issue in the Assiniboia by-election was that they were going to build a million dollar dam at Estevan; to turn the Estevan park into a paradise and to change the entire topography of that country. Of course, the dam didn't materialize, but the election was won and the next election Mr. Gardiner moved to another constituency and the next constituency, they were going to irrigate the Qu'Appelle Valley and in the last, 1945 election, the ante went up from a 20 million dollar project to a 100 million dollar project and the people of Saskatchewan were made irrigation conscious, not by the Members in this group, but by the very lavish promises made in each constituency in which Mr. Gardiner became a candidate. When the election was all over and the smoke had died away and Mr. Gardiner had been elected by a slim and questionable majority, we looked at the estimates and found that less than \$100,000 had been authorized for the purpose of looking for a

site for a dam, which, Mr. Gardiner said had already been chosen.

Now, if there is any misunderstanding in the public mind about dams and irrigation projects, they have been made by virtue of the fact that the Liberal Party in Saskatchewan has been winning such elections as it has won, and such seats as it has won by these extravagant irrigation promises and the people of Saskatchewan have certainly been well trained in asking, but in this case not in receiving, and neither the reception nor the payday have yet come around.

It seems to me that there could be no more appropriate day for my hon. friend to have been discussing Mr. Gardiner's irrigation projects on an April Fool's Day. I think that there is probably the most appropriate day on which this whole subject could be discussed, because I know nothing on which we have been April fooled more for the past 10 or 12 years here in the southern part of the Province of Saskatchewan.

The amendment, Mr. Speaker, may I say about the latter part of the amendment, if I may start at the back end, the latter part of the amendment, I quite concur in. I think that the Provincial Government would be prepared at any time to state its position with reference to water rights being made available to the question of the division of costs of power development and distribution, the organization of irrigation districts and Water Users' Association, the construction and distribution of lateral ditches and canals, and the operation and maintenance of irrigation projects. Those are things on which the Provincial Government would be very glad to make its policy known. We have already entered into agreement with the PFRA regarding a number of matters and these could be extended the moment the PFRA indicate their willingness to even consider seriously projects such as was suggested in this Resolution.

The first part of the amendment, I would draw to the attention of the Assembly, which if the amendment were accepted, the Resolution would read: "This Assembly commends the Federal Government for the step that has already taken through the PFRA to determine the possibilities for the development of the Saskatchewan River, to provide (1) water for the irrigation of the, (a) land served by those river systems (b) land in the Qu'Appelle Valley, etc. etc. and (2) a much needed source of water supply for the cities of Moose Jaw and Regina and for urban communities within the serviceable area. I said that this has already been done; that they have already determined the possibilities for the development of these things. And then the Motion goes on: "and urge the said Government to expedite all engineering and agricultural and economic surveys necessary to determine the location of dams on such river systems."

Now personally, Mr. Speaker, I can't vote to commend the PFRA for the steps they have already taken to determine the possibilities for the development of the Saskatchewan River with reference to all these items, because I don't know what steps they have taken. All I have been able to see in the Federal Estimates were picayune amounts of money to permit certain surveys. \$67,000 was the amount to make a survey, but what steps they have already taken to determine the possibility, certainly this House and I don't know that even the Federal House have had any information to that effect. I would be prepared to support that the suggestion that we should urge the Government to expedite all engineering, agricultural and economic

**April 1, 1947**

survey, but I certainly would hesitate to commend the Federal Government for determining possibilities when I don't know what steps they have taken to determine those possibilities and so far of the more recent statements Mr. Gardiner, no indication was given that they have yet agreed or arrived at any conclusion that there are certain steps which should be taken and which they propose to take.

For that reason I will personally oppose the amendment.

Amendment negatived.

Motion agreed to.

## **SECOND REPORT OF THE SELECT STANDING COMMITTEE ON CROWN CORPORATIONS**

Hon. Mr. W. Patterson (Leader of the Opposition) moved, seconded by Mr. Danielson (Arm River) that the Second Report of the Select Standing Committee on Crown Corporations be referred back to the said Committee for consideration.

He said: Mr. Speaker, the Report of the Select Standing Committee on Crown Corporations was tabled in the House here, last Saturday, March 29<sup>th</sup> and in view of the fact that a minority of the Members of the Committee were not in agreement with the report as tabled, I had to take this method of presenting the views and opinions of that minority.

May I say, for the benefit of those Members of the House who were not Members of the Committee, that this minority report, which might be divided into two sections, setting forth two general ideas, resulted from these facts:

When the Committee met and we came to the examination of certain of the corporations, the evidence was that the corporation, or the Government on behalf of the corporation, had employed certain valuers and appraisers to inspect and value certain properties and certain machinery or certain equipment, and that the amounts paid for these properties or machinery so valued was, of course, represented in the capital structure of the Crown Corporations in question. One of the Members of the Committee for the opposition group moved for the production of these reports. This was refused on the grounds that some of these valuations had been made by employees of the Government, such as the Deputy Minister of Public Works – I won't say that he was the particular official referred to, but I think he was one of them – and consequently, as communications between departments, or between an official of the Government and the Government, are confidential, the motion was ruled out of order by the chairman.

In a subsequent examination of a subsequent Crown Corporation, recognizing this fact, we moved for the -production of the valuation and appraisal reports of those specialists who had been hired specifically by the Government to make an appraisal or a valuation of the property purchased, but eliminating those reports made by employees of the Government, because we accepted the fact that we would have to do sounder the Rules, and indeed we would have made the same exception in the first case had we realized that some of these valuations had been made by employees of the Government. That motion also ruled out of order, the Minister taking the ground that it was not in public interest to make these documents available, or to make them public.



Now I wish you to appreciate, Sir, that there was a distinct difference, that, at least, the application of this ruling was different. Insofar as any Member of the House requiring the production of a document or communication from a Deputy Minister to his Minister, that rule, of course, is sufficiently well-established that there is no question. But when we asked for the tabling of a document, or a report say, which has been made by some person outside of the Government service to the Government, then whether it is in the public interest or not to produce that document or report is a matter within the discretion and at the decision of the Minister. If the Minister says it is not in the public interest, that, of course, decides the matter; but a document of that nature, or a report of that nature, is in an entirely different position from a report made by a Deputy Minister to his Minister, or a report made from the Minister to another, or from one Deputy Minister to another. We realize that, in one case, there is no question, but that in the other, it is the matter of the Minister's discretion.

Frankly, Sir, I do not know why reports, valuations or appraisals made by an expert who has been called in by the Government on the purchase, say of shoe machinery or a second-hand woollen mill down in Massachusetts, should be regarded as confidential documents. The Government took the attitude that they were and, of course, having taken that attitude, that is not in question. But I do say that, not having that information, the members of the Committee were not in a position to know whether, for instance, for the \$300,000 that is invested in the woollen mill in Moose Jaw, the value is there; whether the province received value for that investment and whether the machinery and that sort of thing that was put there at a certain cost, was actually worth the money that was paid for it.

For that reason we contend, as outlined in the first two paragraphs of the Motion which I have submitted, that it was not possible for the Committee to carry out its duties, to determine these matters with any degree of accuracy and to be able to tell this House and to tell the public that the investment in these Crown Corporations is actually as represented.

When I say that, I don't wish to be misunderstood. I am not suggesting for a moment that there has been \$1 illegally spent, or anything of that nature. The question is whether, for the \$300,000 in the woollen mill at Moose Jaw, there is value there for that expenditure; similarly with the shoe factory and the brickyard.

The third paragraph in the Motion, which I am submitting, is supported by these facts:

When the Minister of Natural Resources announced that he was going to embark on a woollen industry, he told us that the cost would be in the neighborhood of \$90,000. That was subsequently corrected to \$125,000 – and I think perhaps the difference was accounted for by the fact that, in the first case, he was talking of the machinery, and perhaps, in the second case, he was talking of the plant – the building and the machinery. In any event, we find by the records presented to the Committee that the final cost of this particular corporation, for example, was approximately \$300,000.

The explanation given to us in Committee was that, in buying machinery and buildings these days, you could never get a fixed price. Well, in this particular case, the Minister bought a

**April 1, 1947**

building already built and all of the expense that he was at in connection with it was what alternations were necessary. Certainly, having purchased the property for a certain fixed sum, the cost could not be raised up; then the major part of the machinery in it – as we understood the information given to us – was purchased second-hand from two mills in the United States, and there again these rising costs could not affect his original purchase price.

The fourth paragraph – about establishing a fiscal period – the Government already has accepted our ideas there to a certain extent, as evidenced in The Crown Corporations Act. I give them credit for a sincere desire to bring the fiscal years of these corporations up to a day which will give the Committee an opportunity of examining a much more recent period of business operations than was possible, this year.

**Mr. Fines:** — Mr. Speaker, may I ask the hon. gentleman a question in this connection? In this morning's Leader-Post, the editor states: "Mr. Patterson would like to see the Crown companies operation on a calendar year basis." I would like to ask, does he agree that it should be on a calendar year basis?

**Mr. Patterson:** — Well, when I spoke on this matter before, in the Budget Debate, I suggested that as the Power Commission could close their books at the end of the year and have a report before the Legislature by the 1<sup>st</sup> of February it was quite possible, for we have the complete 1946 Power Commission figures tabled in this House at this Session. I think – if I remember correctly – that for that reason I did suggest December 31<sup>st</sup> in my Budget speech. Now I am willing to make the concession – if you care to call it such, Sir – that, in view of the explanations that were made in the Crown Corporations Committee, I can see that perhaps, for certain industries, that is not a convenient date – and I am quite willing to accept that. But certainly the Insurance Office could, just as well, have given its report up to December 31, 1946, as up to March 31, 1946; and I think the same applies to many other corporations, where there is no factor connected with the operation of the corporation that makes it inconvenient – these also might very well close their books on December 31<sup>st</sup>.

Another point, covered by paragraph five, is the question of whether these corporations should pay interest to the Provincial Treasury for capital and working account advances advanced to them. There is argument as to whether or not that should be the case. I am going to point out, Sir, that the two major operations in this province, that are going to be made Crown Corporations, have been doing that ever since they were established – the Power Commission and the Telephone Department. They may have, on odd occasions, found it somewhat difficult, but there was never any complaint and the public never expected anything else. I think the Government would have been well-advised to have continued that practice in connection with these two new Crown Corporations.

The sixth paragraph: your committee recommends that Crown Corporations engaged in commercial activities should pay to the municipalities in which their operations are carried on, the taxes which such activities would pay if the enterprise was conducted by a private owner. The argument may be advanced: "Well, but your Government did not pay municipal taxes on the Telephone

Department or on the Power Commission.” That is true, Sir, and possibly we are to be criticized for that. However, the position with respect to those two activities was considerably different in this respect: they are, first of all, what might be called natural monopolies – ordinarily, they cannot have any competitors, and the basis upon which they do business has no relation to, or effect on, any possible competitor; secondly, both of those activities were established for a specific purpose – not to make profits, but to give the users telephone service or power service, as the case might be, at cost. Whether or not we are going to experience a departure from that policy, I don’t know; but the Telephone Department was founded 40 years ago for the specific purpose of giving the telephone users of Saskatchewan telephone service at cost. Similarly, the Power Commission was established in 1929 on the same basis.

The final paragraph is, of course, again a matter of opinion. Those of us who support the minority report are of the opinion that from the information supplied to us and the records that were available to us – that is, for the period up to March 30<sup>th</sup> completely, with the exceptions I mentioned at the outset and some information up to September 30 – we cannot see that there is any advantage, public or otherwise, in the Government operating these activities, such as the production of bricks, boots, boxes, blankets, lumber, etc. When you take into account the capital investment on which the province is paying the interest, the taxes which are lost to the municipalities and to the Federal Government, we suggest there is no advantage in the Government engaging in activities of this kind. So I move, Mr. Speaker, seconded by the hon. Member for Arm River (Mr. Danielson):

That the report of the Select Standing Committee on Crown Corporations be referred back to the said Committee for consideration of the following matters:

Your Committee finds itself unable to make a full and comprehensive report on the matters referred to it by reason of the fact that the Committee has been refused, on grounds of public policy, information essential to the production of such report.

It has not, therefore, been possible to determine with any degree of accuracy whether the purchase of property and equipment by certain Crown Corporations was conducted on sound and economical lines, whether value was received for the money expended or whether assets of certain Corporations are actually worth the amount at which they are carried on the books of the Corporation.

The information submitted to the Committee indicates that capital costs of some of the Crown Corporations established to date have greatly exceeded the original estimate of cost but the information and evidence obtainable by the Committee does not enable the Committee to report on the reason therefore.

It is recommended that the Government should establish a fiscal year period appropriate to the industry engaged in so that reports appropriate to the industry engaged in so that reports presented to the Legislature would show the financial position of each Corporation to the latest possible date before presentation.

Your Committee is of the opinion that interest on Capital

**April 1, 1947**

and Working Account advances made by the Government to Crown Corporations should be included in the actual cost of the Corporations to whom such advances have been made.

The Committee further recommends that Crown Corporations engaged in commercial activities, such as the production of bricks, boots, boxes, blankets, lumber, fish products, and other materials, should pay to the municipalities in which their operations are carried on the taxes which such activities would pay if the enterprise was conducted by private owners.

The Committee is of the opinion that the results of operations of Crown Corporations to September 30<sup>th</sup>, 1946, the latest date for which figures were made available, do not indicate that Government ownership and operation of ordinary or competitive enterprises provides and advantage when taxes, municipal, provincial and federal, and interest on investment are taken into account.

**Hon. T.C. Douglas** (Premier): — Mr. Speaker, it is hardly worth starting to discuss the questions raised by my hon. friend before the lunch recess. Before asking Your Honor to call it one o'clock, I would like to just ask you to consider the whole question of the proper procedure here. The other day, in the Committee, the Hon. Leader of the Opposition moved, as a possible report from the Committee, just exactly what he has presented here and, of course, the Committee turned it down. Then the Leader of the Opposition asked how it was possible for his group to bring this matter to the attention of the House and of the country.

No committee of the Legislature has a right to make a minority report. My hon. friend knows that, although he has constantly referred to this as a minority report. The Committee cannot make a minority report, as my hon. friend knows, and it is very doubtful if he can even move to refer a report back, under Beauchesne, page 196, Citation 671, which says:

When the report does not contain any resolution, recommendations or other propositions for consideration of the House, it does not appear that any further proceedings in reference to it as a report are necessary. Every session, Select Committees make reports of this description, containing a statement of facts or of the evidence on the subject of enquiry; but as they do not contain any proposition which can be agreed to by the House, they are simply printed for the information of the Members.

That is one count. I think the report of this Committee is in a very similar position to the report of the Public Accounts Committee.

However, when my hon. friend raised the matter the other day, I agreed, representing the Government, that we would not hold up any statement which the hon. gentleman wanted to make on the basis of the 48-hour rule which is normally required in moving concurrence, because we wanted my hon. friends to have the opportunity to state their case; but I am most anxious that we shall not take steps now which will set precedents for Committees all along the way, and I do think that, first of all, the matter of the propriety of a motion like this, within the rules of the House, ought to be decided upon.

I also draw your attention to Citation 673, which says:

As the rules of the House govern the procedure of Committees generally, a Committee cannot strictly speaking, renew a question on which its judgment has been already expressed.

Now this matter was all before the Committee; the Committee rejected this as a Motion moved by my hon. friend and his colleagues. I again raise the question as to whether or not the Committee can be asked to reconsider something which in its own judgment it has rejected.

It seems to me that, on those two counts, the Motion and the procedure generally is out of order. Nevertheless, Mr. Speaker, since the matter has been debated. I would like the opportunity to say something about the Motion which is proposed, before Your Honour decides whether or not a Motion of this sort is in order. I shall ask you to call it 1:00 o'clock.

**Mr. Patterson:** — Just before you do that, Sir, I quite agree that the Speaker should take this under advisement during the lunch hour. May I say first, Sir, that I quite agree that the Committee may not submit a minority report, but there are methods provided for a minority of a committee, where it is not in agreement with the report submitted, to present its views. When the Committee's report contains recommendations, then, of course, the opportunity is present on the Motion for the report of the Committee to be adopted. Anyone who is not in agreement with the report can move an amendment at that stage, without any notice. But in a committee such as this, or for instance, the Public Accounts Committee, which merely report that they have done a certain job when it is over, the only way that a minority on the Committee can express their disapproval of, or their objection to, a report made, or to the conduct of the Committee, is to give notice by way of Motion.

Now, Sir, when this matter was up in the Crown Corporations Committee on Saturday morning – I think -- it was quite evident that we could not give two day's notice of Motion with any hope of having our Motion considered by the House and the Premier was good enough to agree that, as far as he was concerned – he could not commit the House, of course – he would waive notice of Motion, and this comes on the Order Paper as it would have come in the ordinary course of business had the Crown Corporations Committee reported, let's say, a week ago. There would simply have been a notice of the same nature and probably containing exactly the same thing as we are now discussing.

On the question of whether a committee shall reconsider a matter that has already been decided by it, this House is at any time at liberty to send back to any committee any report that that committee has made and say: "We are not satisfied with it; we want you to go back and go into this matter again."

What that rule means, Mr. Speaker – and it applies to the House itself – is: if we once debate a question in this House we are precluded from debate that question again at this Session; and the Committee of its own volition could not, having once made a decision or reached a conclusion, open the matter again and reconsider it. But on instructions from this House, it must do so. Whether it changes its mind or not is an entirely different matter. So, if you will keep those points in mind, Sir,

**April 1, 1947**

I would be glad to have your decision after the lunch hour.

**Mr. J. Benson** (Last Mountain): — On a Point of Order, Mr. Speaker. I want to point out to you that during the Session back in 1931 or 1932 – along there some time – a report of the Law Amendments Committee was submitted to the House and an amendment was moved in the House sending that report back to the Committee. The Legislature refused to accept the report of the Committee and it was sent back to the Law Amendments Committee on two occasions during that one Session. I think that, if you just refer to the records you would see what took place at that particular time.

**Mr. D.S. Valleau** (A.S.V.R.): — Mr. Speaker, speaking to the Point of Order, there is another aspect of the case I would draw to your attention. In the Committee, at the time, the Premier said that he would not insist on Notice of Motion being given and the customary waiting period observed before the Motion could be debated, in view of the time being short. As a Private Member, I feel also that we should not insist, in order to expedite the business of the House. However, I noticed that the Leader of the Opposition did not altogether claim that he could present his motion as a minority report, but that he could do so as a substantive Motion of which due notice had been given. But even on these grounds, I believe the Motion is out of order, Mr. Speaker, because of the last paragraph which in part reads:

The Committee is of the opinion that the results of the operations of Crown Corporations ... do not indicate that Government ownership and operation of ordinary or competitive enterprises provides any advantages.

Then there are some qualifying phrases; but that is the substance. I contend, Mr. Speaker, that if the House were confronted with a Motion such as that and asked to debate it and arrive at a decision, it would be reviewing a debate and a decision we have already had under the Crown Corporations Bill. To reach a decision, we would be debating a general principle all over again, and if we agreed to this we would be turning down a general principle that we have already debated and approved. So I believe it is out of order. For my own part, I have no objection to allowing the Motion to stand without the required notice, but I think this particular part of the Motion would be out of order.

**Mr. Douglas:** — Before Your Honor gives you decision on this, I would like to make some reference to the statements made by the Leader of the Opposition, in view of the fact that he has been allowed to put this Motion on record. Whether it is in order or not, statements have been made with reference to it and with reference to the whole procedure under which the Committee conducted its business and I would like, before Your Honor gives your decision, to be allowed to make some statement and some refutation of the remarks that have been made. I think that is in order.

**Mr. Speaker:** — I shall reserve my decision until after the lunch recess.

The Assembly recessed until 3:00 o'clock p.m.

**Mr. Speaker:** — I have considered the proposed Motion of the Hon. Leader of

Premier, not on one occasion, but on different occasions, has said that the report of this Committee is not debatable, just as the report of the Public Accounts Committee. Surely, if that is the case, this report is not debatable.

**Mr. Douglas:** — that is quite all right. So long as a report is given on Routine Proceedings, it is not debatable at that stage. But this is on Orders of the Day. It is in the Orders, therefore it is debatable at this stage. Apparently my hon. friend does not want to have anybody give the facts of the case. That's the way it appears.

**Mr. Danielson:** — You would not give the facts. That is the trouble.

**Mr. Speaker:** — On the Point of Order, I take it that the position of the Premier is correct. Consideration of the report stands on the Orders of the Day. Under the ruling I gave, the subject matter of the Motion of the Hon. Leader of the Opposition is out of order. I rule that it is perfectly allowable to make some remarks on consideration of the Second Report.

**Mr. Douglas:** — Some reference was made to not giving the facts; I doubt if there are Crown Corporations conducted by any democratic government anywhere in the world in which information concerning the financial operations and financial structure has been made as readily available to the Members of the House and the general public as we have in the Crown Corporations operated in the Province of Saskatchewan. An attempt has been made to throw a smoke-screen, in my opinion, by way of asking for documents which, in the normal course of parliamentary Government, would not be brought down and to ask for information that would never be produced by any government dealing with Crown Corporations.

Now the whole technique of Crown Corporations is, of course, something that has come up in the last 10 or 15 years and, as I said the other day, whether we like it or not, increasingly governments are going into business, other Provincial Governments, the Federal Government, governments of other Dominions and the British Government, and to facilitate the carrying on of commercial, enterprises by a government, new technique has had to be worked out. It has been found that the old departmental system has not worked very well, as I illustrated the other day, in the case of the Post Office; and in our own case, the Department of Telephones, which was called a department and whose employees were outside the Civil Service, but come under the Civil Service Commissioner, was half a department and half not a department. The Commission technique has been tried out; but increasingly democratic governments in all of the English speaking countries and in some of the other democratic countries, have been turning to the Crown Corporation method as being the more flexible and the more businesslike.

In working out such a technique, we will have to work out, at the same time, our own code of ethics and our own code of conduct as to how these ought to be operated and it is rather significant that, if one sits down to read over Hansard any time in the last 10 years, one will find that exactly the same kind of charges which my hon. friends opposite have been making with reference to this Government and the charges which their newspapers have been making with regard to this Government, are almost

**April 1, 1947**

the Opposition during the recess and I am of the opinion that the first paragraph and the matter raised by the Hon. Member from the European Area (Mr. Valleau) in connection with the last paragraph, are in effect asking the Assembly to reverse decisions it has already made at this Session and further they raise matters of broad general policy in this connection which certainly would not be within the purview of a committee of this House. On those grounds I rule the Motion out of order.

**Mr. Douglas:** — Mr. Speaker, I would like to make some reference ...

**Mr. Danielson:** — You have given your ruling, Mr. Speaker. You have ruled the Motion out of order. What is the Premier speaking to?

**Mr. Douglas:** — Mr. Speaker, I submit that that's a pretty arbitrary procedure. The Leader of the Opposition has been allowed to present or outline what is in effect a minority report from the Committee on Crown Corporations. While I agree that the Motion is out of order, statements have been made and the effect is that no member of the Committee or of the House has been given an opportunity to refute any of those statements before the House and in the country.

**Mr. Danielson:** — What is before the House at the present time? What are you speaking to?

**Mr. Douglas:** — I am speaking to the Order: "Consideration of the Second Report of the Select Standing Committee on Crown Corporations."

**Mr. Danielson:** — There is no Motion before the House. The Motion has been ruled out of order.

**Mr. Speaker:** — What I have ruled out of order is the Motion that was in the nature of an amendment to the report of the Committee.

**Mr. Douglas:** — In discussing the report of the Crown Corporations Committee, I would like to say just a few words, as I don't want to take up the time of the Assembly, because there is a lot of business yet to get through. There has been, before this Session began and throughout the proceedings of the Assembly ...

**Mr. Danielson:** — What are you speaking to? There is nothing before the House.

**Mr. Douglas:** — I am speaking to the Order — "Consideration of the second report of the Select Standing Committee on Crown Corporations." I understand the report is debatable at this time. The reason my friend could not deal with it was because of the required 48 hours notice. That was waived. I consider that the report can still be debated by this House. All I want to say is: there has been a concrete attempt ...

**Mr. Douglas:** — On a Point of Order. The



identical word for word with the charges which the Opposition in Ottawa have been making with reference to the Federal Government, which is of the same political complexion as my hon. friends opposite. The charges which the Conservative press in the East have been making with reference to the Federal Government are almost the same as our friends across the way have been making with reference to us. In other words, there is not yet a full appreciation of the fact that Crown Corporations are operated differently from ordinary departments of government.

I have here, for instance, some of the things that have been said in the House of Commons by Ministers of the Crown who have under their jurisdiction Crown companies. For instance, Hon. C.D. Howe, speaking in the House of Commons on January 4, 1946 said:

It seems to me that Parliament has all the control over the activities of a Crown company that it has over the activities of a government department. The main control over the activities of a department is through the voting of estimates. If funds are required for a Crown company, they must be voted by Parliament. Parliament can then exercise the same controls as it would exercise over any department of the government.

The Prime Minister, speaking in the House of Commons on February 23<sup>rd</sup>, 1943, discussing the same matter said:

All these statements that the Government is hiding this and hiding that, that there are transactions concerning which the Members cannot get information – all this comes to naught so long as we have a Public Accounts Committee and so long as the Members are free to call that Committee together and to have referred to it a question of wrongful expenditure which they wish to have investigated before that Committee.

And Mr. Ilsely, speaking in the House of Commons on November 12, 1945 said this:

The House has not an inalienable right to the disclosure of all the acts of the executive. Ministers may refuse to disclose matters if refusal to disclose is in the public interest and is so stated by the Minister.

May I point out that the Government Companies Act passed by the Federal Government gives even less control over the expenditure of public money than does The Crown Corporation Act under which these Crown Corporations are operated. Their Act permits companies to use operating revenues, to pay operating costs and to make advances and loans, without having to resort to the appropriation of the House.

Last year, when Mr. Murphy, one of the federal Members, asked for certain information regarding the Polymer Corporation, a Crown company, Hon. Mr. Howe said:

Mr. Speaker, this question refers to the manufacturing data and the current operations of the Polymer Corporation. The Public Accounts recently published, contain the balance sheet of the operations of the Polymer up to the end of March, 1945 ... (The same year as we are using) ... The difficulty of giving the present-day cost is

**April 1, 1947**

that rubber is competitive in foreign markets with that of other manufacturers, and it is prejudicial to the work of the directors or policy-makers to have the day-to-day operations made public in such a forum as the House of Commons. If the Government intends to be in a competitive business, I think the same latitude which is permitted to competitive business should be permitted to Crown Companies, and, therefore, in the public interest. I must ask that this question be dropped.

And even taking something which is not as new as the Crown Corporation setup – the Canadian National Railways, which is operated on a slightly different basis, in answer to a question by Mr. Coldwell, Hon. Mr. Howe said this on June 14, 1940:

The reason we do not give information about matters of internal management of the Canadian National Railways is that the railway is in a highway competitive position and to present information on matters of internal management, just as it is asked in the House, might be harmful to the competitive position and, therefore, against the public interest.

That is the position which has been taken in Ottawa regularly over a period of years, the position which has been taken in the British House, the position which has been taken in the American House – where they have some Crown companies as well – and I submit, that in this House and in the Crown Corporations Committee we have gone much farther than any other democratic government in placing all the available data in the possession of the Members of the House and of the Committee.

Now the main complaint has been not that they have been denied any information about the operation of these plants nor their day-to-day business operations, nor their present financial position, nor their financial structure; the main complaint was that these companies had a certain value placed on the books, a value at which they were acquired – equipment, buildings, sites. A Motion was brought into the committee first of all asking for all the evaluator's reports. It was pointed out that a good many of these reports were made by the officials of the department, and that the report of an official to a Minister was a confidential document and that this House has not the power to ask for such a document, therefore a committee of the House has not the power to ask for such a privileged document. Then it was suggested that instead of that they should have the commercial evaluator's reports and again the same thing is true. First of all these reports were given by commercial firms handing in confidential reports on the basis of their investigation. No commercial firm is going to appreciate having their report which they give on a certain company or on a certain corporation or a certain business undertaking, made public property. They hand that report to the Minister concerned, or to the Executive Council, for their information. Furthermore, the evaluator's reports were not the sole thing upon which these purchases were based. In every case, the evaluator's report was only one of the bases. In every case some members of the Civil Service, some officials of the department, also submitted reports, in order that we might have the approach from every angle and in order that we might get as fair and as proper an evaluation as was possible.

My hon. friends asked for something which, in my opinion,

they knew before they asked for it that they could not get, under the rules of this House and on the basis of asking for something which they knew they could not get, they not seek to create the impression that something is being held back from them.

Well, Mr. Speaker, may I submit to you that, first of all, the evaluation placed on these various companies and their assets have been accepted by the auditor, who has the power to call for these evaluator's reports. The Member for Arm River smiles – but he was the man who was Provincial Auditor when my hon. friends sat on this side of the House; they must have had some confidence in him. Before he places his seal upon the audited statement, he has the full power to go over these evaluator's reports and to estimate whether or not the value placed on the books is higher than it ought to be. As a matter of fact I can tell this House, Mr. Speaker, and the people of this province, that in every case the estimated value by evaluators in some cases were commercial people. My Hon. friend mentioned the brickyard. For instance, we sought the services of Professor Worcester of the university, who made a trip. He was not the only one; there were members of other departments – the Public Works Department, the Natural Resources Department – who also investigated the plant. And on the basis of the various estimates, we made a purchase considerably below what the estimated value was. But my friends are surely not going to suggest that Professor Worcester and the various departmental officials should have their confidential reports brought into the Committee? It never has been suggested anywhere, never been done anywhere – and when my friends ask for something that they know that no government could do and continue to do business and they use that as a political pretext then to go out and say they were denied necessary information.

The fact is the Committee on Crown Corporations had two things submitted to it: the financial structure and the financial statement and the financial statement was passed by the auditor who had access to all documents and to all the reports and this Legislature, if it has confidence in the auditor, ought to be prepared to accept his report in view of the fact that he had all the facts in his possession. If it has not confidence in him, this Legislature has the power to remove the auditor.

The London Times, which has been running a series on Crown Corporations – and it could certainly not be accused of being sympathetic to public ownership – makes this summary after three or four articles. I think it is worth drawing to the attention of the House:

Finally, publicity itself can be a major protection both for the public corporation and the public. Few existing corporations publish adequate accounts of their annual reports. They should be required to do so. There should also be occasions for debate in Parliament of the corporation's policies and programs. The corporation should conduct its affairs with the knowledge that they will, from time to time – though not like government departments – at all times be required to explain and justify them to administrative departments and through Parliament to the nation. But Parliament too has a responsibility to fulfil, if publicity and discussion are to be fruitful and conducive to the efficient management of corporations. Unless they are conducted under strict conditions self-imposed, these debates upon business matters might do

**April 1, 1947**

more harm than good. The complement of the corporation's responsibility to Parliament must be a self-denying ordinance on the part of Parliament in the exercise of its authority.

It means to me that there is a statesmanlike statement; that while this Legislature, responsible as it is to the people of Saskatchewan, has the right to the fullest possible information with regard to the policies and programs of these Crown Corporations with reference to their financial statements and financial structure, at the same time we have responsibility to see to it that for mere political purposes we do not insist on the eliciting of information which in the long run would do harm to these corporations and to the public welfare.

Some of the suggestions made by my hon. friends in the Committee on Crown Corporations and in the Motion which they moved in the Crown Corporations do not pay interest on the money advanced to them from the Provincial Treasury. That, Mr. Speaker, is a very picayune point. If the Crown Corporations pay money to the Provincial Treasury, it is simply a matter of the people of Saskatchewan taking money out of one pocket and putting it into another. There is no loss to the people of Saskatchewan by virtue of the fact that they are not drawing money taken from the Provincial Treasury and advanced to the Crown Corporations. An attempt to make a case out of that seems to me pretty small indeed.

The whole matter of paying taxes by these Crown Corporations to municipalities has, of course, been discussed before, brought up again in the Crown Corporations Committee and brought up today by the Leader of the Opposition. In the first place, as he admitted himself, his Government did not pay taxes: the liquor stores all across the province did not pay taxes; the Power Commission did not pay taxes; the Telephones did not pay taxes, although these were forms of public enterprise and my friend is making a pretty weak case if he suggests, the moment another government comes in, that they ought to pay taxes.

I go one further: my friends know, when they talk about taxes, that this Government already has announced that we are prepared to make payment in lieu of taxes. Therefore, they are simply beating a drum for something they know is going to be done, in order that they might claim some of the credit for it.

The other criticism which was advanced was that, after sitting on the Crown Corporations Committee, these gentlemen are now convinced that there is no value in public ownership in the pertain of ordinary or competitive enterprises. Of course I don't know what they mean by ordinary competitive enterprise. The Opposition says, in the House, that Power and Telephones are something into which the Government ought to go, but the Liberal Party does not say that in British Columbia and they don't say that in Ontario, where the Bell Company holds sway; so that, in those provinces, telephones are competitive too. It will be an interesting thing for the people of this province to know that the Liberal Party has now definitely put itself on record as being opposed to public ownership. The people of the province will be interested to know that, if the Liberal Party is ever returned to power in this province, one of the first things they propose to do will be to dispose of the woollen

mill and of the shoe factory; to dispose of the Fur Marketing Agency; to dispose of the Timber Board; to dispose of the brick plant; to dispose of the bus corporation and turn it back to the Greyhound or to some other private corporation. I think it is a good thing that the lines are now clearly drawn, that my hon. friends who for many years were looked on as the public ownership party – the people who supported the CNR; the people who supported public ownership of radio – have now taken a stand in this province as being opposed to public ownership. The people of this province can now know that the industrial enterprises which have been undertaken by this Government and which, as was shown, even after reserves have been set aside, have given back a return of 13 per cent on the money invested, these corporations will be scrapped – probably scrapped as the briquetting plant was – for \$1 to some kind friend of the Government; that they will be scrapped and these enterprises now owned and operated by the people of Saskatchewan for the people of Saskatchewan will now see what the fate will be of these Crown Corporations, if these gentlemen had their way.

I would, therefore, move, seconded by the Hon. Provincial Treasurer (Hon. Mr. fines), that the Order for the Consideration of the Second Report of the Select Standing Committee on Crown Corporations be discharged.

**Mr. W. Burgess** (Qu'Appelle-Wolseley): — Mr. Speaker, I want to say just a word or two from the standpoint of an ordinary Member of the Legislature who is not a member of the Crown Corporations Committee and who presumably has no knowledge of the conduct of the Crown Corporation except what is presented in this report. Now I would say, even at the risk of differing somewhat from my Hon. Leader, that there is a difference in the attitude that ought to be taken to businesses which might be termed monopolistic public utilities ...

**Mr. Speaker:** — Order! May I call the attention of the Hon. Member that the Motion before the House is that the Order for consideration of the report of the Committee be discharged from the Order Paper. The Motion is not debatable.

**Mr. Burgess:** — Mr. Speaker, I want to say this: I asked you if debate was going to be permitted on this subject, if other Members would have a word and you said it was an open question, or so I understood it.

**Mr. Speaker:** — While the matter before the House was the Order – Consideration of the Second Report of the Select Standing Committee on Crown Corporations, it was an open question and debatable. But the Motion before the House now is that that Order be discharged, which is not debatable.

**Mr. Douglas:** — Well, Mr. Speaker, I don't want to argue your ruling at all, but both the Leader of the Opposition and myself have been given a good bit of latitude and I would think that, with

**April 1, 1947**

on consent of the House, some of the Members might be allowed to make any statements. I think that an undertaking to that effect was given to them really, a little while ago.

**Mr. Speaker:** — The Motion before the House is that the order be discharged. So long as that Motion is before the House, there can be no debate on the report.

**Mr. Douglas:** — Well, if I have the consent of the House, I will withdraw the Motion temporarily, until the discussion of the report is completed.

**Mr. Patterson:** — But you could not move the Motion a second time.

**Mr. Douglas:** — Well, reverse it and the Provincial Treasurer will move it.

**An Hon. Members:** — No, no! We can't bring it up again.

**Mr. Douglas:** — No, then I'll withdraw the Motion, Mr. Speaker.

Motion withdrawn.

**Mr. Burgess:** — As I was saying, Mr. Speaker, I am not a member of the Committee, but I have before me for my information this report and, Mr. Speaker, with respect, I submit that the report gives very little information. It tells me that we have 10 Crown Corporations. It tells me that the Committee asked a number of questions some of which they got answers to and that there was no let or hindrance on the interrogation of the responsible Ministers and officials.

Now, I suppose that that ought to be fairly satisfactory. There is a large group of Members of this House on that Committee and I have a good deal of confidence in those Members; but, Mr. Speaker, there has been no opportunity, so far as I know, for this House to give any specific consideration to any of the companies individually and we have to face the fact that a government in business cannot entirely free itself from political questions. I agree absolutely with the remarks of the Premier that, if the Crown Corporations have a responsibility towards Parliament, Members of Parliament have a responsibility to the Crown Corporations and that, in their discussion of them, in their criticisms favourable or otherwise, they should practise a wholesome restraint, and that they should not be particularly looking for political capital.

But, Mr. Speaker, these companies cannot completely be divested of government policies, or they will not; because we have statements made, for instance, with reference to the lumber industry, with reference to the Timber Board, that the policy of the Government was to make the lumber available for Saskatchewan consumers. I am not quarrelling with that policy — I think it is a right policy; but it does definitely have a bearing on the success or otherwise of the Timber Board. We have had the statement made that the fish filleting plants were partly necessary in order that the people in the fish industry might not go on the

unemployed relief lists. Now that is to say that it was a sort of a mixture between the idea of a filleting plant as a business proposition or the idea of a fish filleting plant as something to save the fishing industry and keep fishermen from being on relief – a mixture of Government in business and Government policy; and Government policy can never be divorced entirely from politics. We had some similar arguments advanced with reference to the fur business and we have had the statement made that, if there is a loss on the Box Factory, it was more than made up by the better wages that the people working in the Box Factory were receiving.

Now, I submit, Mr. Speaker, that up to the present time, neither in Saskatchewan nor in Ottawa have we devised a satisfactory technique for handling business as a Parliament – and it is not a good enough argument to use that, because they have not a good method in Ottawa, we cannot be expected to get a better method in Saskatchewan. Our Parliamentary processes were not really devised to handle this sort of thing. That is not to say that they cannot be adjusted to do it, but I submit that it has not been done yet and that one of the most important tasks before this Legislature and this Government, if it is to be the policy to go into business, is to devise a better method than a report of this nature is.

I submit that we, as Members of the Legislature, are the only meeting of shareholders of these companies that is, or can be held and that as shareholders of these companies, we have to get more information than we have had up to the present in order to be able to make an intelligent judgment as to whether these companies are individually or collectively good business propositions. I am not terribly concerned about that, at the moment, because I recognize – or think I recognize – that none of them have been long enough in operation for that information to be available. I do submit, however, that by next Session we will have to have some better means and some reports with more information in them, or else we won't be doing our full duty to our constituents in the country, whose representatives we are, as shareholders in all these different companies. It would suggest itself to me that, perhaps, these different companies or this Crown Corporations Committee, maybe should strike off individual committees to go into the very heart, if you like, nothing barred from their information.

I recognize that a business cannot have everything that it is doing and every item of its business, splashed over the public press and criticized for all kinds of reasons; but, at the same time, as a democratic Legislature, we must provide ourselves by some means with fairly complete information about these companies.

Now I don't know whether I am in order here – it is mentioned in this statement that was ruled out of order, but the Hon. Premier referred to it: the question of interest. As far as it appears to me, Mr. Speaker, -- and I am no upholder of interest – I don't believe in interest; but insofar as capital is used by these companies, capital which has to be paid for by the province at a rate of interest, insofar as no interest is charged to that company for the use of that money, that company is being subsidized. I will agree with the Hon. Premier that it is a matter of taking money out of one pocket and putting it in another; but it is necessary for the purpose of the record, that we know which pocket it is being taken out of. I don't think

**April 1, 1947**

that we should charge the interest on capital used by a Crown Corporation to the consolidated revenues of the province without recognizing that that is, to that extent, a subsidy being given by the province to that particular company. It may be all right to do it, but it should be marked on the books and I submit, Mr. Speaker, that unless it is done, it is not good bookkeeping.

The question of taxes is something else again and I, of course, did not know that this question was going to be debated today. I am not prepared to debate it; but I think that they haven't got as much information in the report of that Committee as ought to come before this House.

**Mr. Douglas:** — May I ask the Hon. Member a question? You are not suggesting that this report of the Committee is all the information we had?

**Mr. Burgess:** — Oh, no, not for a moment!

**Mr. Douglas:** — We had, of course, also the financial statements which all Members of this House had to vote upon.

**Mr. M.J. Feeley (Canora):** — The Hon. Member for Qu'Appelle-Wolseley stated that he is not a member of the Crown Corporations Committee, and left the impression that, therefore, this information was not available. I think that, as a matter of fact, as he went on he pretty well divulged the fact that he did know quite a bit more than he suggested.

**Mr. Burgess:** — I said, presumably, Sir.

**Mr. Feeley:** — The fact is – and we all know – that with the exception of the very brief last Session, all meetings of the Committee were held open to the public, nothing was held in camera and any Member of this Legislature certainly had every chance in the world to sit in and if he wanted some questions asked, he could have done, as I have done on more than one occasion, slipped a little note to one of the boys and had his questions asked. Any question that he wanted could have been asked and answered there. I want to repeat what I stated the other day: the most complete information that I have ever had regarding any other the Departments of the Government, or the Commissions, was available for us there; more complete information, as a matter of fact, than we generally get from any Department of the Government. I am just a little surprised to hear the objection that is taken now in view of the fact that we have had several previous sessions – I am thinking now of the Power Commission, the Telephone Company and the Liquor Board. Just our Public Accounts. But we have never had any information that was worth two cents regarding those three departments of the Government – if you call them such, Sir. It is because of that, because of my dissatisfaction, because of the fact that I have tried on a number of occasions to get information regarding these and have never had that information made available to my satisfaction, that I am keenly interested in seeing that these corporations are accepted as a principle. I believe they are sound. I believe that they are a considerable improvement over the method that we have had in the past.

Having said that, I want to say that I am not going to be



content with this. When this is done, I am going to suggest, Sir, that we should exercise the opportunity that we have as Members of this Government to decide on the policy of these corporations. I am not satisfied to just come here and listen to reports. As a representative of a constituency in this province, I think I should have an opportunity and take advantage of the opportunity, to aid in the formulation of the policies. I want to be able to decide on the policies of the Liquor Board. I want to be able to help decide how much liquor is going to be available. I want to know what the general policy of the Telephone Company is going to be. I want to know what the general policy of the woollen mill is going to be and I want to be able to say to the Government and to the heads of these corporations, the Boards: I am not satisfied – if I am not satisfied. I want to be in the position where I can make my voice heard and felt and get results. That is why I am strongly for this particular change and I am strong for the Crown Corporations principle.

**Hon. O.W. Valleau** (Minister of Social Welfare): — Mr. Speaker, I listened very carefully to the Hon. Member for Qu'Appelle-Wolseley without being able to arrive at a conclusion as to just what it was he wanted. He proceeded to discuss the procedure in relationship to general departmental business of the Government and also in relation to, or in comparison with, reports available to shareholders of an ordinary company. I think that, in all probability, the information that is available here today, or that has been made available to this Legislative Assembly, is far in excess of that which is usually received by the shareholders – shall we say – of the CPR about that and that is a business corporation running to a much greater extent. I would also like to draw to the attention of the House that the question of refusing information, or of the Minister denying information or documents being regarded as privileged documents – this has been said time and time again, but apparently it has not yet sunk in – is not exclusively a function of the Crown Corporations.

In the Department of Social Welfare we are spending nine or ten million dollars a year – about nine million dollars a year – and many of the reports that are the basis upon which we spend that money are not available to this House. Take, for example, the question of employment. Yesterday, I dictated three letters asking recommendations in regard to a certain application that came to us. When those recommendations come in, they will not be available to the House; they will be a privileged document between myself and my correspondents. The reports upon which we pay out old age pensions are privileged documents and while in many cases I do make them, as a matter of courtesy, available to Members of the House for their information, because they are interested, if it came right down to a showdown, I would have to say that those documents are reports from my inspectors to the Minister in regard to whether that pension should, or should not, be payable.

The information available – again let me repeat – the principle is exactly the same in carrying on of the departmental work as it is in the Crown Corporations.

Then we come to the question of policy. We have discussed policy, in this House, on the departments, through the voting of funds. Policy in regard to any Crown Corporation can be

**April 1, 1947**

brought before this House, at any time by any Member, on the basis of a substantive motion, a resolution. Those two things – the examination of what the Crown Corporation has done in the past, done during the preceding year, on the basis of policy laid down is one thing; the basis of policy, or the criticism of policy, is something else again which can, without any difficulty whatever, be brought before the House. I think probably that, in the years to come, we will work these techniques out much more satisfactorily; but I question very much if the action that has been taken up until the present time justifies the criticisms or the semi-criticisms which have been levelled at it so far.

**Hon. C.C. Williams** (Minister of Labour): — Mr. Speaker, the Hon. Member for Canora has perhaps left unintentionally the impression that there was never any opportunity of knowing what his Department of Telephones has done from year to year. Now I have in my hand the Annual Report of the Department of Telephones for the financial year ending April 30, 1946. It is in reality a miniature Public Accounts. Here we have – I don't know what else would be required – there is a report on Plant; following that, Commercial; next Department exchanges; going over next into Traffic; Balance Sheet as at April 30<sup>th</sup>; Revenue; Expenses; Disbursements; Freight, Express and Cartage and so forth. Now I am sorry if the Hon. Member has been eating his heart out, all these years, not knowing what has been going on; but these have been available and we must have 50 or 60 copies every year. I will send the page boy over to him with this copy.

**Mr. D.S. Valleau** (A.S.V.R.): — Mr. Speaker, I don't want to make a speech in this debate. I think it has lasted quite awhile; but I think there is some confusion between the Hon. Member for Canora and the Hon. Minister of Telephones. I don't think that the Hon. Member for Canora meant that there was any criticism of the Minister for the way in which he prepares his reports, or any suggestion that the reports had not been prepared over all these years and made available to Members. I think the point that the Hon. Member for Canora was getting at is that the technique which we are evolving in Crown Corporations Committee of having the reports before us and going into them in detail and asking questions in detail, is a technique which had not been followed in the Department of Telephones, as an example. While that report is there and is similar to the Public Accounts, we have not had a committee set up to go into it as they go into the Public Accounts. That is the difference. It is not that there is any criticism of the Department of Telephones, but the suggestion which we have is that the technique we are studying in the Crown Corporations Committee is something that could well be used on Departments such as the Department of Telephones, in the future. I think that this is all that was involved in the Hon. Member's suggestion.

**Hon. C.M. Fines** (Provincial Treasurer): — Mr. Speaker, if that is all the debate, I should like to move, that the Order for Consideration of the Second Report of the Select Standing Committee on Crown Corporations be now discharged.

Motion agreed to.

## ROYAL ASSENT AND PROROGATION

At 11:20 o'clock p.m. His Honour the Lieutenant-Governor having entered the Chamber, took his seat upon the Throne and gave Royal Assent to the Bills presented to him.

His Honour, the Lieutenant-Governor was pleased to deliver the following speech:

Mr. Speaker, Members of the Legislative Assembly:

It is my duty to relieve you of further attendance at the legislative Assembly and in doing so I wish to thank you and congratulate you upon the work you have accomplished, and to express my confidence that the results of your labours will be of benefit to the people of the Province.

Many important matters have come before you for discussion and decision. Included amongst these were: The Saskatchewan Bill of Rights Act, declaring our basic freedoms and assuring to the people of the province certain civil rights; the ratification of a Tax Agreement between the province and the Dominion of Canada adjusting the financial relationships between the Governments; the cancellation of seed grain indebtedness for the years 1935 to 1937; the reduction of hours of work in certain industries; the establishment of a Provincial Research Council; the encouragement of —co, municipal and industrial activity in Saskatchewan; the establishment of classification and merit systems in the public service, and the integration of publicly-owned and operated industrial enterprises. In these and other matters you have given favourable consideration to many proposals for the improved welfare of the rural and urban population of the Province. I have observed with satisfaction the earnest attention you have given to safeguarding and promoting the public interest.

I thank you for the provision you have made to meet the further requirements of the Public Service and assure you that the sums of money voted will be used economically, prudently and in the public interest.

In taking leave of you I desire to thank you for the manner in which you have devoted your energies to the activities of the Session and to wish you the full blessing of Providence as you return again to your respective homes.

The Hon. Mr. Valleau, Provincial Secretary, then said:

It is the will and pleasure of His Honour the Lieutenant Governor that this Legislative Assembly be prorogued until it pleases his Honour to summon the same for dispatch of business and the Legislative Assembly is accordingly prorogued.