

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Thirteenth Legislature**  
**24th Day**

**Tuesday, March 19, 1957**

The House met at 2.30 o'clock p.m.  
On the Orders of the Day:

**VISITING STUDENTS**

**Hon. C.C. Williams (Minister of Labour):** — Mr. Speaker, before the Orders of the Day are proceeded with, I notice we have a group of school students in the gallery today, and we have had a number of these groups in attendance here during this Session. Now we may wonder if they enjoy the proceedings, or are sometimes disinterested and perhaps bored with what goes on in this Legislature. I have a very fine letter here from one of the teachers who brought a group here about ten days ago, and, with your permission, sir, I would like to read it; it is not very long. It is addressed to myself, and I quote:

“Dear Mr. Williams:

It was a very interesting afternoon that we spent at the Legislative Buildings last Friday. Our usually not too attentive little girls could hardly believe that they had listened for an hour and a half without noticing the time at all.

Thank you very much for giving us the opportunity of seeing government in action and for the gallant introduction you made of us. If we offended against parliamentary etiquette by not acknowledging the introduction with a corporate bow we hope to be forgiven. On that subject ‘courtesy’ our pupils received a fine object lesson in the deference shown to authority in the person of the Speaker of the House and even to the mere symbol of authority.

Thank you again for the most vivid and profitable social studies lesson of the year.

Yours sincerely,

‘Sister Mary Cecille’

I thought, in view, Mr. Speaker, of the brickbats that are thrown from one side to the other during most of the days, that the soft fall of a bouquet might be quite acceptable.

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## BUDGET DEBATE

The Assembly resumed from Monday, March 18, the adjourned debate on the proposed motion of the Hon. Mr. Fines (Provincial Treasurer): That Mr. Speaker, do now leave the chair (The Assembly to go into Committee of Supply).

**Mr. R.A. McCarthy (Cannington):** — Mr. Speaker, when I adjourned the debate last evening, I was dealing with one report which had been presented by the Government, or a Department of the Government to the Provincial-Municipality Conference. I intend, today, to confine my remarks largely to the subject of the Provincial-Municipality Conference.

I had the pleasure of attending that conference as an observer, and I enjoyed it very much. I think some good came of it. We on this side of the House have been suggesting for some little time that a conference should be called of the local representatives and the Government. It was very disappointing to me that in examining the statements of the Departments and of the Ministers they all seemed to emphasize the necessity of reorganizing our municipalities. In my opinion the difficulties of the municipalities are not geographical – they are financial; and that isn't to say that we shouldn't take a good look at our present municipal boundaries. I believe we should. They were set up 50 years ago and they have served their purpose well; but changing conditions would seem to warrant taking a good look at them now, and I believe that some minor changes could be made in the boundaries.

It is equally certain that the Government's plan of putting the municipalities into county systems, or something of that nature, hasn't any support in this province and, in order to justify that statement, I want to read to you a resolution that was passed unanimously at the recent Municipal Convention in Saskatoon. There is a rather peculiar thing about this resolution; the proceedings of that Convention were very well reported in the House but I have never seen this resolution in print. It has been alluded to, but I haven't seen the resolution set out in print anywhere, and it is, I think, probably the most important resolution and it cleared the air more than any other resolution that came before that Convention. And surprisingly, sir, it passed unanimously; there wasn't a single vote against it. With your permission I would like to read that resolution. I am going to read you the preamble to it, too, so that we will get a clear idea of just exactly what went before that Convention. It is Resolution No. 26:

“Whereas information contained in the statement of the Saskatchewan Association of Rural Municipalities submitted to the Local-Provincial Conference effectively states the present position of the rural municipalities in Saskatchewan, and

“Whereas the Provincial Government has indicated that additional financial assistance to rural municipalities is conditional upon reorganization;

“Therefore BE IT RESOLVED that this Convention oppose any general territorial reorganization of rural municipalities and continue to press for its rightful share of the Provincial revenue.”

That, as I said, was passed unanimously by the people at that Convention. It is rather unique I think, on a controversial question of this kind, to have that unanimous vote.

Another very important Convention that took this matter seriously under consideration was the School Trustees' Convention, and those of you who are members and attended that Conference will recall that while the School Trustees' representatives said they were only expressing their own personal views, they were very local in support of the county system; in fact I think they were possibly the most vocal bunch that sat around the table in support of the county system. But when they went back to their Convention and put that proposition before the trustees of this province, the trustees turned it down flat. They did, a little later on, vote for coterminous boundaries; but they said, quite emphatically, that they weren't in favour of the country system despite the fact that the executive were personally in favour of it. I think that we should remember their submission in that light as it was the personal opinion of the representatives and not necessarily the opinion of the bulk of the trustees.

The coterminous boundary resolution which was passed at that convention was passed with a very small majority, and I have been told by people who attended the Convention that, if it had not been for the fact (the thing was kind of muddled up) that they didn't want to vote non-confidence in their executive – which they didn't, because they are doing a good job; but if it had not been for the fact that resolution regarding coterminous boundaries probably would not have passed either.

Now I would just like to say a word or two about coterminous boundaries. The term 'coterminous' as I understand it, means that you set up an area for a particular purpose, with a boundary, then you get the other services set up inside that boundary on the same outline, and then you have a coterminous boundary. I think it is fundamental that, if you are going to set up coterminous boundaries you must have some base to start on, and we haven't. Now that I think we have effectively voted out the county system, I don't see where the coterminous boundary is going to start. Certainly neither the trustees nor, I think, the Department of Education, suggest that the present larger unit boundaries should be the boundaries for the other organization. As a matter of fact, the Trustees said in their submission to the delegates that, if it had not been for the possibility of reorganization of rural municipalities, they would have submitted something asking for a rearrangement of the present larger school unit boundaries.

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It is not a surprising thing that, after ten years' time, we find our larger school unit boundaries are not properly set up. I am not surprised at that. They were a new thing and they were set up without consultation with the people who were going to use them, and in some cases I think they are all right, but in a great many cases we have found that they are not satisfactory to the children who are attending the schools nor are they satisfactory to the people who are administering them. So I think that that pretty well rules out the possibility of using the larger school units as a base for coterminous boundaries.

I do believe, however, that we have a good chance and a duty to go into these larger units and re-adjust their boundaries. We don't need to upset the whole municipal system to re-adjust the larger school unit boundaries. When they were set up they were set up certainly not in consultation with the local people. I remember in our own individual case, I was Reeve of the municipality at that time and there was a gentleman down there giving us some information on it, and I was told to point out that they were making a mistake in this particular boundary, but we didn't get very far. The gentleman told us that that had been drawn by experts in Regina who knew more about it than we did, and that was our boundary. Well, now that just goes to show you what happens when you start laying out boundaries without consulting the people who are going to use the services; and I think we are due for certain revisions – not in all of them but in certain places – of our larger unit boundaries. I hope that will be done, but we don't need to upset the whole municipal system of Saskatchewan to rectify a small error in that particular set-up.

The Premier said at the Convention – and I want to read what I copied from a press report of what he said, Mr. Speaker, so that I won't be misquoting him. He said:

“His Government had no intention of embarking on any plan of municipal reorganization without the solid backing of the local government bodies and the widespread support of the general public.”

A little further on he said:

“This Government has always taken the stand that when the S.A.R.M. and other local government bodies were prepared for a change it would work with them and would take no action without their approval.”

I said a while ago that I thought, at least for the time being, we had got rid of the county system and I think, if the Premier keeps his word (and I believe he will), that we have put that out of consideration for the time being at least. The rural municipal men said by unanimous vote that they weren't in favour of this. These men are the elected representatives of the municipalities of this province, one from almost all the townships in the province. They are constituted by every political affiliation; that is, they

are a cross-section of the province, and in the election of municipal councils (thank goodness!) there is no party politics and I hope it remains that way. These people are elected for their standing in their local committees. They have no political axe to grind, and they said, unanimously, that they weren't prepared at this time to go into the county system. So I think we can, for the time being at least, say that we have to start now, where we should have started in the first place, and look at the financial set-up of our rural municipalities.

I have claimed, and we on this side have claimed, that the people who occupy the front benches over there are out of touch with the thinking of the farm people in this province, and this is one demonstration that they are. I think now what we should do (and I think we should have done it to start with) is to set up the financial duties and responsibilities of the municipalities and see where they were going to get the money to carry out those responsibilities, and the geographical end of it is secondary. After all, we have a total assessment in our rural municipalities of well over \$600 million, and we have in those 296 municipalities a certain number of miles of road to build and a certain number of other services that we have to furnish, and the only way you can get that money is by mill rates so that, in the overall picture, you have to levy your mill rate on your \$600-odd million to get the money to carry on. And it doesn't matter whether you divide that \$600 million into units of 100, 200, or 300, you don't change the overall picture. You still have the same assessment, and if you are going to carry on the services you still have to have the same mill rate. If you want to carry on more services you have to put on more mill rate; but the geographical division of those districts doesn't affect that part of it.

Both the Premier and the Provincial Treasurer have made it quite clear that we are not going to get, and cannot expect, much financial assistance unless we agree to go into the county system or some other form of wholesale reorganization. That was the threat that the municipal men faced when they voted for this resolution, but nevertheless they believed that, in the best interests of this province, they should vote against it. They thought that it was sufficiently important to maintain the local interests and they voted against that resolution.

**Premier Douglas:** — Mr. Speaker, on a question of privilege, will my hon. friend quote from any statement that I made which contained a threat?

**Mr. McCarthy:** — Well, if you read these reports it runs all through them. It runs all through the Baker Commission; it runs through them all. Those aren't only my thoughts, Mr. Speaker. The urban people expressed exactly the same thought and if you like I will read it to you, and you will find it on page 80 of the Provincial-Local Government Conference; and I will read you what the urban people said.

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**Premier Douglas:** — Mr. Speaker, I cannot speak for the urban people but I am asking my hon. friend to quote where I made any such threat, because as a matter of fact I said just the opposite. I said that, irrespective of what decision they came to, we would continue to share with them our increased revenues, but we could spend it more efficiently if we got economic-based units.

**Mr. McCarthy:** — I said you made it quite clear in your submissions . . .

**Premier Douglas:** — No, my friend said I threatened them.

**Mr. McCarthy:** — Well, if I was mistaken, the urban people were mistaken, too. You had the mayors and those people from the urban centres. Now that the question has been brought up, Mr. Speaker, I would like to read what appears on page 80 of the report of the Local-Government conference.

**Premier Douglas:** — By whom?

**Mr. McCarthy:** — By Mayor McAskill.

**Premier Douglas:** — Speaking for the Urbans, not for the Government.

**Mr. McCarthy:** — Speaking for the Urbans. You said that I didn't get the right slant on it. Well, the urban people got exactly the same slant, and I want to read that, Mr. Speaker:

“We in the urbans have a very direct interest. We represent the villages and small towns and large towns that would be involved in such a reorganization, but at the same time you, yourself, have told us, sir. . . ” (and he was talking to you as Chairman) . . .”and it has been reiterated by Mr. Fines, that we cannot expect unconditional grants permitting maximum local freedom and responsibility, and that it must properly await the development of stronger local government throughout the province.”

So that confirms the impression that I got.

**Premier Douglas:** — That's “unconditional grants”; that's not assistance.

**Mr. McCarthy:** — Well, it's very clear; it's exactly what I said.

What we need now, in my opinion, is to have the rural municipalities and the Government and nobody else sit down and redefine the responsibilities of those two organizations. We should have them sit down and redefine what services the Provincial Government is prepared to carry, what services should be carried on and could be better carried on by the municipalities and the Government, and thirdly, what services should be wholly the responsibility of the municipalities, remembering that the only source of revenue the municipalities have is the land tax.

Having defined these responsibilities we should then come to the very important part of how they are going to be financed. This Government has, as you know, an agreement with the Federal Government whereby they get unconditional grants of around 37 million (in round figures) each year, for a very good and sufficient reason. I am not going to go into that reason today; it is well known to everybody; but there is equally sufficient reason why this Government should, in turn, have a similar agreement with the municipalities so that they will get their share. And when we define these duties we should bear in mind that as time has gone on this Government and other governments have continued to add duties and responsibilities to the municipalities without, at the same time, in any way enlarging their tax base; and 95 per cent of the money that a rural municipality has today is collected from the land tax, from the farmers' taxes.

Now as I said, there are a great many reasons why I think we should have a similar agreement to our Dominion-Provincial agreement. I am not going to go into them all today, but I am going to give you one illustration which I think points this out. There are a great many others, but I haven't time to deal with them all. The rural municipalities build and maintain their roads. I think the capital expenditure on municipal roads should be considered as a self-liquidating expenditure. On the other hand, we find that the Provincial Government collects the users' tax from these roads, in our gasoline tax; and they don't turn it back to the municipalities – at least only a very small amount, and that depends quite a bit on the political complexion of the Government, as to how they happen to feel at the moment.

Just to give you an illustration, they collected in the last year over \$2,000,000 from gasoline and licence tax on farm trucks. Those farm trucks drive 95 per cent of their mileage on municipal roads. There is a lot of outside traffic drives on these roads, and the Provincial Government collects the revenue and the municipalities furnish the roads. I think that is one thing that will be discussed when the Provincial Government and the municipalities get together by themselves, without all the other organizations thrown in, and they can define their duties and their responsibilities. It is rather a peculiar thing that, in the years 1953-54, 1954-55 and 1955-56, that they were collecting this users' tax all through those years. I sometimes wonder if this Government isn't putting the squeeze on the municipalities in the last few years in order to force them into larger units. If they are, they got their answer at Saskatoon, last week.

**Hon. Mr. Brockelbank:** — If it needed squeeze, they'd have got it long ago.

**Mr. McCarthy:** — There seems to be a determined effort by this Government and the Baker Commission to create the impression in the minds of the people of this province that the municipalities of this province aren't any good, probably never were any good, and have at this time outlived

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their usefulness. That, Mr. Speaker, cannot be borne out by the facts. Given the proper chance, our rural municipalities are the foundation of our democracy, and I repeat again what we need is to sit down with those people (they are reasonable men) and define the responsibilities and how they are going to discharge those responsibilities.

I notice that some of the people over there rather laughed when I made some of those statements, but I am going to give you a few examples, some comments on it to justify some of the statements that I have made in connection with our rural municipalities. This is a submission by the Department of Municipal Affairs to the Local-Provincial Conference. We will take pages 20 and 21 first, where it says this:

“The increasing volume of expenditures is not necessarily a significant problem in municipal finance” . . . (I don’t know how they get that way) . . .” Much more could be spent on services if municipalities increased their revenue. There has, however, developed a conviction that tax rates have reached a limit although councils are undoubtedly guessing when forming these opinions as factual data to support such a conclusion are lacking.”

Well what does that say, Mr. Speaker? It is a direct attack on the ability and integrity of our 600 rural municipal men. I am sure that the average rural municipal council gets more value for the dollars expended in moving dirt than this Government does, and if you want an outstanding example of that go and look at the Kipling ditch. If any rural municipal council pulled off the very un-businesslike expenditures that I have seen pulled off by the practices of this Government, they certainly wouldn’t be municipal councillors very long.

Now there is another one here along the same line . . .

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

**Mr. McCarthy:** — I am quoting from the submission made by the Department of Municipal Affairs to the Provincial Conference, and I am quoting right now from page 22:

“In addition to the one mentioned above councils of municipalities have a tendency to over-expend since in keeping the general tax rate down the imposed income has not taken care of emergencies or of items not included in the budget buy which councils conclude must be met to satisfy pressure groups or vociferous individual taxpayers. Deficit financing, if continued



year after year, quickly reduces surpluses to the point where substantial increases in tax rates are no longer avoidable if a pattern of services to which taxpayers have become accustomed is to be maintained. Moreover, many instances develop where money is not spent wisely or economically by municipal councils.”

Now isn't that an indictment of the municipal councils? If it isn't, I don't know what it is.

Now we will go over to page 23, at the top of the page, and it says this:

“At the same time consideration should be given to the existing legislative measures which restrict the discretion of rural councils in determining expenditures.”

And it says down further on the page:

“If restrictions are necessary, which is at once an acknowledgment that members of council lack in good business sense, then technical advice should be quick and adequate and a disregard of the law followed by immediate and severe penalties.”

Now where have we heard that before? Lay down the law and if they don't obey, you punish them. My experience is that the rural municipal councils don't pull off half as many bum deals as this particular Government does.

“Broadening the base of property taxation by assessing improvements at full value.”

And that means if a man builds up his farm and puts a good set of buildings on it, they are going to 'up' his taxes. As a matter of fact, I lease land to other people and the land that I lease without buildings on it brings me in far more revenue than the land I lease with buildings on it, for the simple reason that I have to keep those buildings in repair.

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Somewhere in the Baker Commission it also suggested (I don't know that it was in any of these Briefs), that we should tax the implements, the means of production of our farm products.

Mr. Speaker, my time is nearly up, but there is just one other item I would like to bring to your attention and that is the submission made by the Minister of Mineral Resources (Hon. Mr. Brockelbank) and I am very glad he is in his seat. I would just like to take a few minutes to look at that submission. The one thing I couldn't quite understand was how come the Minister of Mineral Resources presented this Brief instead of our present Minister of Municipal Affairs. It would seem that it would be more in his line; but the Minister of Mineral Resources has been trying to shove us into larger municipalities ever since he came in here, and I suppose he thought he had better get his hand in. On page 4 of this wonderful Brief:

“The rural municipality has lost practically all significant responsibility that it had in 1909, with the important exception of roads; and secondly, the rural municipal does not assume responsibility for many new services which Governments now carry.”

Well, that's a nice statement. But the one that I really want to talk about is on page 17 – and that is a dandy! Here we have the horrible example of what happens to a municipality, and it happens to be No. 95. It happens to be my own municipality, and we have the horrible example of what could happen to a municipality with a division of responsibilities and all the rest of it. Well, I want to tell the Minister that there were people living in that municipality who were living there long before he was on the scene, and I think and hope that they will still be there raising their families and raising some good livestock long after he is forgotten. He says this:

“The fact is that the original unit of local government – the municipality – has been weakened in its authority and obscured in a maze of complexity.”

Well, I think he is the one that's complexed, not the municipality. Then he goes on to say:

“I think what impresses me first about all these boundaries is that the only common boundary seems to be the line drawn around the province.”

Well, he is absolutely wrong! There are a lot of common boundaries. In fact the only boundary that isn't common to this “horrible example” that wasn't superimposed by this Government, is the boundary of the hospital district and they were put there by the consent and with the advice of the people who use the services, and I will defy anybody to move them. Irrespective of how or

where you put the boundaries, those boundaries for those hospitals will remain the same, because they were put there, they are in the proper place. There might be small adjustments made, but basically you can't change them.

Now we will go to the next one. Here is the map and he complains about it – the local school units are in black boundaries. Well, who imposed the local school units on that municipality? Certainly not the municipality. They weren't consulted; their advice wasn't even taken, and as I said before, in this particular municipality they should be changed and they will be.

Then he has the health region in red. Well, there is a boundary on two sides there; you couldn't have a health region that would follow right around a municipality because it's not big enough; but there is one job in this thing and that is township 12-7; and why the heck that was put there I'll never know, nor will anybody else, but it certainly wasn't put there on the advice of the rural people.

And here is a dandy! I don't know whether our Minister of Mineral Resources eve had anything to do with setting up pure-bred sire areas or not, but I have. He complains that the purebred sire area doesn't follow the line. Well it does. There isn't a purebred sire area in this province, that I know of, that doesn't – every one of them. There is a good reason for that. When you set these up you have to get all the stock rounded up and there is a tremendous amount of work to it; and the councillors undertook that work and did it and did a good job. They went around and asked the farmers to have their stock in on a certain day to the Vet. But once they are set up – and they are set up practically all over the south and east part of this province and there are some in the west; but once they are set up they are no burden to the municipality; they carry themselves.

Now we have our Union Hospital districts, and I have already discussed that. By the way I am going over my time and I am sorry for that.

Mr. Speaker, I could go on for an hour or two, this is a big subject and it needs the very careful consideration of us all. I do hope that, now that we have cleared the air to a certain extent by our Convention, we can now get down to the basic problem of the financing of our municipalities. I shall not support the motion.

**Mr. B.L. Korchinski (Redberry):** — Mr. Speaker, first of all I would like to thank the people of Redberry for returning me again to this Legislature as their representative. I may say, sir, that this constituency has been in the Liberal ranks since the inception of the province, outside of two occasions when the people thought they would try something else, and they elected C.C.F. representatives. But I believe that there will never again be a C.C.F. representative from that constituency.

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I thoroughly enjoyed the very outstanding talk on municipal affairs given by our friend from Cannington (Mr. McCarthy). He is just as solid as Saskatchewan. Whoever was at the convention of the municipal men in Saskatoon saw many men of his type who were worrying and trying to solve the problems of the rural people, and I can tell you that this Government would be well advised not to try to push those men around, because the 1,200 of them there were quite worked up.

Mr. Speaker, I wish to say that my duty in the first place is toward my own constituency and as far as the welfare of the whole province is concerned. There are certain needs in my constituency that I would like to present to this Government. I know the needs are very many, but we would like to see a start in solving some of those needs.

There is the perennial problem of roads and bridges always cropping up. This constituency has had its share of difficulties in road building because it is mostly a hilly areas crossed by creeks and gullies, and it requires extra money for building roads and bridges. Some start has been made by some of the rural municipalities on the grid system. We always maintained, and still maintain, that the grid system as proposed by this Government is not right. The municipalities which have gone into the grid system building, with the province sharing the cost, have found themselves left without any money to spend on the side roads, and we believe that the more important market roads should have been organized as secondary highways and financed by the province.

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

**Mr. Korchinski:** — The following are the roads that we would like to have built in our constituency. Many representations have been made by delegations from various parts of that northern country to this Government. There is need of a highway from Leoville to Spiritwood to Hafford and to No. 5. This road would take in all the communities along that route, such as Rabbit Lake, Mullingar, Mayfair, Alticane and others. So far, the municipalities have tried to work on this road and grants have been received from the Government, and they are quite thankful for what has been done; but it is not going to solve the problem because this is a very important artery and it should be a highway.

There is also need of a road from Krydor south to Borden. This area is very far from any town or village and the farmers find themselves without roads. This has been settled for the last 50 to 60 years, and the roads are terrible up there. The detours and curves in those roads are something ferocious. I think, Mr. Speaker, you should go and visit that particular area south of Redberry Lake and you would realize what I am talking about.

Rabbit Lake and Whitkow and Mayfair still find themselves without highways. In the election of 1952 the Premier of this province was making speeches throughout this area and he had promised those people highways. So far this promise has not been carried out.

**Hon. J.T. Douglas:** —That is not correct.

**Mr. Korchinski:** — That is quite correct. There are no highways built for any of those points.

There was a complaint that I would like to present to this Legislature from the people who live along No. 26 Highway. The councils of the rural municipalities of Meota and Turtle River told me that they do not like the idea of having a completely new route for this highway. It must be realized that the old highway has been there for many years, and the communities and the people living in that area have organized their lives in conjunction with that highway. Now placing the highway in a completely new area makes it very difficult for those people to be served. For example, there is the community of Jackfish. It is 2 ½ miles from the old No. 26 Highway; but the way the new highway is going to go, it is going to be seven miles away, and it is going to add costs to the rural municipalities having to build arteries to the new highway. It is also going to make it very convenient for many people who have set up their homes along the highway. They will either have to abandon their homes or build roads to the new highway.

In this area the soil is very valuable and the highway cutting across diagonally over the land is taking a lot of good land out of production. The old highway has been abandoned; it could have been used to build on. There was a very good foundation grade, so that also is an extra cost to the province in having to build a completely new grade. Of course the argument is that we have to straighten out these highways and have them go as the crow flies; but we should be asking the question – who are those highways being built for? Are they building highways for the crows or for the people? In that area . . .

**Hon. J.T. Douglas:** — Not for the jackasses anyway.

**Mr. Korchinski:** — The Minister of Highways knows nothing else but to pour abuse upon the members over here and his favourite word is ‘jackass’. I think that soon if he keeps repeating that he will be . . .

**Hon. J.T. Douglas:** — Mr. Speaker, on a point of privilege I did not call the hon. gentleman a jackass. He simply takes that himself.

**Mr. Korchinski:** — Well, my hearing is very good, and that is what you just spouted out a while ago, and as I said that nickname will stick to you if you keep on repeating it, because that isn’t the first time you have done it.

Another problem which I would like to bring to your attention is this idea of bypassing villages and towns and not building an artery into those villages. I understand that Highway No. 40 will be re-routed and will pass Krydor about a mile out. I would suggest that, if it is absolutely necessary for this highway to run along this new plan, there should be an artery built into Krydor. We have a very good example of what happened, and is happening, to places like Speers and Richard that have been left by the highways.

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These places are commencing to die. Their businesses are suffering, because people cannot get in to those smaller places, so they just keep on going along the highway and they go on to the cities. If we want to keep our rural population on the farms we will have to try to build our highways so that they will be served as well as the urban population.

There is the matter of ferries across the North Saskatchewan River. As you know, Mr. Speaker, our constituency is located north of the North Saskatchewan River and many people live along this river, and the pioneers, when they were organizing our communities, had established numerous ferries to cross the river to the south and to the north. Between North Battleford, along the river for a distance of some five to seven miles, about 50 years ago the people had organized four ferries. Today there are none left. This present Government has taken them out, and that causes a great hardship to very many people who live along the river. Many of them have land on both sides of the river and to get to their land some of them have to travel 140 miles. I know some of those farmers who have to go 140 miles. They have to go to North Battleford and cross the river by the bridge and then go back all the way down to their land and do their farming. This is an unnecessary hardship.

The ferries were taken out by this Government and the excuse they give is that there is no good approach where the ferries were located. Now, Mr. Speaker, isn't it strange that the pioneers, who came to this country with the very little that they had, with their very meagre means, very little finances, but with a lot of goodwill and hard work, were able to establish so many ferries across the Saskatchewan river and were able to use over the years these ferries. Then this Government comes along in such buoyant times, with so many finances and such fine equipment that is available now, and they tell us that the places aren't suitable, that it is impossible to have a ferry cross the river. I would ask them to reconsider this matter of ferries and bring those ferries back where those pioneers had them organized in the first place. If it isn't possible to have ferries there, some of the rural men suggested that I propose the possibility of organizing Bailey Bridges. I don't know if those were ever tried; I don't know if it is feasible; but some means of crossing the river should be provided.

Then there is the matter of a bridge across the river. I believe this Government has been receiving delegations from that northern area along the Saskatchewan River during the last several years. There was a delegation here, last summer, presenting this case to the Government, and I would ask the members of this northern area to think of northern Saskatchewan, north of Saskatoon. This area is very thickly populated. It is a very busy area, and yet it has no way to cross the river except by ferry. The Government of Saskatchewan has built a bridge across the South Saskatchewan River – the Saskatchewan Landing Bridge. I took the trouble of looking up the traffic across this particular point, and I find that, in 1949, at Saskatchewan Landing, there were 28,000 vehicles that were carried by that ferry cross the river, with 49,000 passengers. In 1950 there were 41,000 with 71,000 passengers,

and in 1951 there were 40,000 vehicles, with 68,000 passengers. I am giving round figures only. This was sufficient traffic to warrant a bridge at Saskatchewan Landing.

At this particular place where I am thinking there should be a bridge built, here is the traffic across the two ferries, the Petroska ferry and the Laird ferry. The Petroska ferry last year carried 59,000 vehicles with 152,000 passengers; and the Laird ferry (which is not very far from Petroska ferry) had 12,000 vehicles and 30,000 passengers. Now the highest over Saskatchewan Saskatchewan Landing was 41,000 vehicles. Petroska ferry was 59,000 or 18,000 vehicles more per year. The passenger traffic across Saskatchewan Landing was 71,000 and at Petroska ferry it was 152,000 – over twice as much. that shows statistically without doubt that there is a necessity for a bridge there, and I believe that just because we are far north should not be a reason why the Government here in Regina shouldn't do something for us in that regard. I would ask the hon. members of Rosthern and Shellbrook and Turtleford and Saskatoon (because Saskatoon Chamber of Commerce is pressing for this bridge) to use their good offices with the Government to have a bridge started there as soon as possible. The facts cannot be ignored and this traffic warrants a bridge up there.

Now, Mr. Speaker, I would like to say a few words about the hospitals in our area. We have three excellent hospitals, — one at Edam, one at Rabbit Lake and one at Hafford; and they are staffed by very good doctors, who are performing miracles with the little that they have at hand, and whose personal interest in their patients is that of the devoted country doctor. I am sorry to say, however, that some of these smaller hospitals are being squeezed by the cost and by the expenses that they have to bear, and they are finding it difficult to carry on. I was told that the hospital at Edam, for example, was having difficulty with finances, and I believe that this Government should do more than they are now doing to try to keep these hospitals open and improved, because these hospitals are saving lives. They are taking the load off the city hospitals, and they are keeping the population of Saskatchewan on the farms. These hospitals should be given all the help and encouragement possible in order that they may carry on.

Those are some of the needs that are required in my particular constituency.

I would like to say a bit about the budget. I find in studying the debt of Saskatchewan that it is increasing. As the member for Pelly (Mr. Barrie) pointed out the other day when he was speaking, we haven't any particular objection to the public debt increasing, but the people should know the facts. We should not try (as the Minister of Finance is doing) to leave an impression with the public of Saskatchewan that the debt of the province has been reduced. Just merely by calling the debt by some different name I don't think you can reduce it. He has classified the debt as "direct" and "indirect", and he talks continually about the direct debt; but it doesn't make any difference what name he calls it; we will have to pay it and there is

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an interest charge on it. We will pay it through taxes or we are going to pay it through increased charges for our services – that is, the so-called revenue-producing services. So it doesn't matter how we pay for it we are going to pay for it ultimately.

This is the picture that I have found in his Budget Address that is according to the facts. In 1944, the general public debt was \$194 million, and in 1956 it is \$222 million, and the Provincial Treasurer says that he is borrowing another \$50 million; so it is going to be \$272 million – an increase of \$78 million from 1944 to 1956. These are not increases – at least that is the impression he tried to leave with the public; but the per capita debt burden in 1944 was \$230, and in 1956 it is \$241 per head, or an increase of \$11. I find, Mr. Speaker, that there is no Socialist Government any place in the world that hasn't increased the debt. The general idea is to increase it continually. It is the same thing with this Government. They sometimes do retreat a little in some unimportant fields and then they come back with a bang – with some new debt. We remember that the hospitalization started at \$5 (I believe it was) per person; now it has gone up to \$20 per person. The same thing applies to car insurance. I don't have to be-labour this particular item because everybody in the country knows how the car insurance started at a very low fee and it has been increasing every year.

We had a very good example of how the Socialist Government retreated in one field and then come back and imposed taxes in some other field; the case is right here with this tax on fuel. We are very glad and happy that that has been taken off, because we have been asking that it should be taken off for the last eight or nine years. I believe that the Liberal Opposition should get the credit, at least to some extent, for having aroused the public to the need of having this tax taken off. So they have taken it off and we are glad of that, but we certainly don't like the idea that a one-cent tax was placed on the car fuel. It should be realized that the Provincial Treasurer has now a 12-cent tax on a gallon of gasoline. You fill your car with 12 gallons of gasoline, and you will pay the Provincial Treasurer \$1.44, and that is quite a bit; and I believe that he is reaching what is known as the point of diminishing return. The people will restrict themselves from buying car gasoline, because it is getting too expensive to travel. The gasoline in Regina is a bit less expensive than it is in our area, but in our area it is getting to be very close to 50 cents a gallon; and I am very surprised, with all the boasting of all the oil that has been discovered in Saskatchewan and all the new great industry of refining in Saskatchewan, that the price of gasoline is going up. Now, who is responsible for that? I think that since we are having such a plenty of everything in Saskatchewan, things should be going down, but it is just the reverse; which just bears out my contention that the Socialist governments never let the taxes go down, they always keep them going up.

Mr. Speaker, just because my time is limited I have to hurry and limit myself to just another point. This is the main point that I wanted to bring out about the taxes and about the expense and so on of this Government. The more I look at this Government, the more I am appalled by the



waste and extravagance that exists in this administration. First of all, we have a general staff here that is big enough to run perhaps a 50 or 60 division army. We have 15 Ministers in the very little province of Saskatchewan with a population that is less than a million; but we have 15 Ministers. But that isn't too bad; we could put up with that; but then we have these Branch heads that these Ministers have, and that is really something. That is really something! First we will take the Social Welfare Department and we find there are 11 Branch heads. There is a Deputy Minister and then there are 11 Branch heads. These 11 Branch heads get this magic \$555 per month, and it is quite a bit of money, \$555 per month, and there are 11 of them. They all have cars at their disposal, and they are not like the members' cars that are parked here in front of the Legislative Buildings. Some of the members are ashamed to drive up and park their cars here after looking at what the civil servants – your obedient servants are driving up in. Your people's representatives, who are supposed to be the highest quorum in this province, drive jalopies compared to what your civil servants are driving. There is no question about that. Sometimes it is difficult to find room to park; that is why there was a place made for "Members Only", and if you look into that stall where members only are parked, you will find that they are not driving any Cadillacs or any Mercurys. . .

**Hon. Mr. Walker (Attorney General):** — Oh, yes!

**Mr. Korchinski:** — . . . or any De Sotos. Now there are certain cars that the Government has reserved for itself, and you can tell by the numbers to whom they belong . . .

**Premier Douglas:** — Just the Capitalists have Cadillacs.

**Mr. Korchinski:** — Just the Capitalists . . .

**Mr. McDonald:** — The 'Gold-Dust twins'.

**Mr. Korchinski:** — Mr. Speaker, I examined the operations of the Department of Social Welfare and I am very sorry that the former Minister isn't here because I think he is to blame for most of it; but I was appalled, it is shocking. We hear over the air, on TV and so on about how much this Government is spending. They have graphs to show how much they have increased since 1944, and if you just watch the TV, if you watch our Minister of Education (Hon. Mr. Lloyd), you would be just about convinced that there is nobody as good as the Minister of Education and his Government. It is true that they are spending a lot of money; but the question is, what benefits do the people at the other end of this spending line get out of their spending! I was really shocked when I started examining the Public Accounts a little closer. This is a book of 560 or 570 pages of what has been spent in Saskatchewan, and in the Social Welfare Department I find that the administration, the branch heads, the civil servants, the part-time and the full-time servants,

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have taken out \$1,434,958 for administrating and passing on to the old-age assistance, to the child welfare, to the blind persons, to the disabled persons and to the social aid cases, \$6,256,912. That is to say, Mr. Speaker, that they have taken \$1.00 as their salary to spend “\$5 – for issuing cheques in these cases. That is absolutely shocking because . . .

**Hon. Mr. Bentley (Minister of Social Services);** — It isn’t true.

**Mr. Korchinski:** — It is absolutely correct, and it can be proven from the Public Accounts. It is absolutely correct. I did not include institutional services in this particular item – the \$6,256,000 was passed as grants to these poor people, and to do that passing on it was charged \$1,434,558 . . .

**Hon. Mr. Fines:** — Is that three to one?

**Mr. Korchinski:** — Pretty near \$1 for paying out \$5. Now I believe there is no . . .

**Hon. Mr. Fines:** — Silliness.

**Mr. Korchinski:** — Mr. Treasurer, do you know how many servants there are in this particular Department? There are . . .

**Hon. Mr. Fines:** — I know your dividing is not very good.

**Mr. Korchinski:** — There are 560 workers spending this particular money; some of them are part-time or were part-time, and some of them are permanent help. The Minister of Social Welfare (Hon. Mr. Bentley) says it is absolutely untrue. If he wants to include institutions, I am going to include one institution that I would like to bring to the attention of the public and to your attention, Mr. Speaker, and that is the Boys’ School – the Reform School. I had asked a question in this Legislature on February 21: “What was the daily attendance in this school, the number of persons employed and the total cost of operating the school?” The answers are:

Daily average attendance – 15.77

No. of staff: permanent 16; and one who withdrew his employment there;

The cost - \$67,537 by the Social Welfare and another \$900 by the Department of Public Works.

If you averaged this per boy, it comes out to \$4,232 per boy.

**Hon. Mr. Walker:** — It isn’t worth it, eh?

**Mr. Korchinski:** — I think it is a bit of extravagance when we have children in rural area, who are good children, who have to be denied

going to school because they haven't anything to put on. I don't think that they should be neglected and the criminal types preferred. I know that we should do everything possible to try to recover these boys who have gone wrong; but I don't think that the criminal should be preferred to such an extent as \$4,232, and all these others denied the possibility of attending school because they are either too far from school, or they cannot dress properly. I believe that this is absolutely wrong, and you, Mr. Speaker, and the public of Saskatchewan should know about it.

I think you will gather from this, Mr. Speaker, that I am certainly not going to support the budget as it is presented now.

**Mr. A. Loptson (Saltcoats):** — Mr. Speaker, again I think I am the tail-end of the debate from this side of the House, and since it has been dragging on quite a while, I don't intend to be very long.

The budget that we are debating amounts to in the neighbourhood of \$166 million – a sizable amount, but not beyond the possibility of the people of Saskatchewan to meet; and it would be all right if it was spent prudently and if we got value for the money. A fair example of that has just been cited by the hon. member from Redberry (Mr. Korchinski) who just sat down, when he cited there is an average of 16 boys in attendance at the Reform school and it is costing the people of Saskatchewan over \$64,000 or about \$4,000 a year for each boy. Why not treat the boys nicely and put them into a suite in the Hotel Saskatchewan? I believe it would be cheaper for the people of Saskatchewan to keep them there.

Other similar expenditures we feel we have a reason to doubt the value of, particularly in the Highways Department, in spite of the fact that my hon. friend the Minister of Highways (Hon. J.T. Douglas), a jovial fellow, takes all the responsibility for it. One is that short piece of road on No. 10 from Duff to the intersection of No. 22 which we have been looking forward to having blacktopped for the last four years . . .

**Hon. J.T. Douglas:** — We didn't have to set up a Royal Commission to find it.

**Mr. Loptson:** — It was built in 1952, and it cost \$95,000 to build and there were no complaints about that; but it was supposed to have been blacktopped that year. Fortunately I guess it wasn't because it would have cost us more. Last year, we got a return on the maintenance cost of that piece of road and they had already spent some \$183,000 on it then, and they have been working on it all last summer and it still isn't finished.

**Some Opposition Member:** — They're summerfallowing it!

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**Mr. Loptson:** — I guess that is what they have been doing, but there is no crop growing there. We have another example in that episode on No. 1 Highway where it cost \$15,000 a mile more to build Trans-Canada on this side of the Manitoba boundary as compared to what it cost on the other side of the Manitoba boundary.

**Hon. J.T. Douglas:** — That is not correct.

**Mr. McDonald:** — It is, according to your figures.

**Mr. Loptson:** — Then we have that No. 39 – the famous road that goes through the Premier's constituency. I don't think it is completed yet; but this is the third time, I think, they have built it, and the last estimate cost I had on a stretch of it, it had run up to \$100,000 a miles. What it will be when it is finished, I don't know. I was hoping that I might be able to get some of this money for my constituency if they had learned by this time to save some on these expenditures. I realize the trouble is they have a lot of young engineers from the University; they are good boys, engineers that we have to have in the future; but the Minister let all his old engineers go before these young fellows got any experience and, as a result of their mistakes, it has cost the people of Saskatchewan millions on similar cases to what I have mentioned.

I have asked on two occasions how many miles of blacktop have been torn up since this Government came into power; but the hon. Minister has always delayed answering it, or has made a Return out of this very simple question, for evidently he is not very fond of what the Return is going to show, and he doesn't want to have the answer in the 'Votes and Proceedings'.

**Hon. J.T. Douglas:** — Mr. Speaker, . . .

**Mr. Loptson:** — But what I am concerned about . . .

**Hon. J.T. Douglas:** — He can't impute motives to me. The question he asked has meant a lot of work, and the manner in which he has asked it has made it much more difficult. I resent that statement and ask him to withdraw his remark that I am holding up that Return.

**Mr. Loptson:** — Well, there was nothing in the question that I asked. There was just on question, and it shouldn't take much work to answer it but if you want to have it in the form of a Return, why that is all right with me. But I would like to have it answered before this Session is over.

**Some Government Members:** — Withdraw. Withdraw.

**Mr. Loptson:** — There is another matter that I want to bring up at this time . . .

**Hon. J.T. Douglas:** — Mr. Speaker, I must insist that he withdraw that statement that I am deliberately withholding the answer to his question.

**Mr. Speaker:** — Did the hon. member for Saltcoats make that statement?

**Mr. Loptson:** — I said that it seemed that he didn't want to have it appear in the 'Votes and Proceedings', that's all I said.

**Premier Douglas:** — Mr. Speaker, that is an imputation of motives, which is most improper.

**Mr. Loptson:** — If you're so touchy as that —

**Mr. Speaker:** — Order!

**Mr. Loptson:** — I will withdraw it, Mr. Speaker, Poor innocent fellows! They are so touchy, we can't even touch their hair or they fly up in the air.

The Premier of this province made a visit to my constituency during this election. I appreciated his visit, and I think a lot of the people did, too. Of course, we always like to listen to the Premier; he is a fluent speaker. But there were some remarks he made, at the meeting which was held at Langenburg with regard to a road that we have been trying to get built, not only since this Government came into power, but even before that. The funds have been available now during the last 10 years, and I have been rather disappointed that it hasn't been built. I refer to the extension of No. 8 going north from Langenburg, connecting up with No. 10. I venture to say if that stretch of road was completed, that it would at least double the traffic on that highway coming down on No. 1 through Kamsack, because there is a lot of oil being trucked from the oilfield to the refinery at Kamsack, and other traffic would follow as well. I have not been able to get that road yet, and the Premier is alleged to have said that the reason why it hasn't been built is because I never asked for it.

**Premier Douglas:** — Mr. Speaker, on a question of privilege. If my hon. friend is quoting me, who alleges that I made such a statement?

**Mr. Loptson:** — The attendance at your meeting. There were a lot of people there. I wasn't there, so I am saying what they told me, and I said that it was alleged that you did say so.

**Premier Douglas:** — Mr. Speaker, I am afraid my hon. friend got his information from the wrong source. I certainly made no such statement. We don't refrain from building roads because a member hasn't asked for them.

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**Mr. Loptson:** — Well, I am going to prove that I did ask for the road. Naturally, I didn't ask you for the road. I thought that it was quite all right to ask the Minister of Highways for it; and to prove that I had asked him, I have the Hansard of the Legislature here for March 1, 1951 and here is what I said:

“I am going to ask the Minister to take note that we have three links in the Saltcoats constituency that are of very great importance . . .”

**Hon. Mr. Brockelbank:** — Four – including the ‘missing’.

**Mr. Loptson:** — I said this:

“There is the extension of No. 8 to connect with No. 10 carrying it through to Kamsack. There is the link to No. 9 to No. 14 which would serve not only Yorkton, but Melville and Regina. These links are very important; and another needed link between No. 22 and No. 14.”

Those were the three links that I asked the Minister of Highways particularly for, away back in 1951. Then I went further. On the Estimates, when the hon. Minister said that there wasn't going to be anything done about it, I told him that I would hold him responsible for any deaths that might occur in the municipality which this road goes through, as a result of not being able to get to their municipal hospital in the town of Langenburg. They have no road coming in from the north, neither winter nor summer, if the weather is bad. The municipality is in no position to build that road. That road has been on the highway map for a good many years, and I am hoping that the Minister will consider building it now in view of the fact that these people who were at the meeting certainly took from the Premier's statement the inference that he was going to see to it that that road would be built.

There are many places we could point out where this Government has been very extravagant in their expenditures. I have said before, and I am going to say again, that it would pay the people of this province to pension this outfit off, right from this session, and pay them full indemnity if they would just stay out and put somebody in that has some business sense.

**Premier Douglas:** — The electorate didn't think so.

**Mr. Loptson:** — Take the expenditure of \$166 million. Well, it wouldn't take much improvement on the present administration to save at least 10 per cent. There is \$16 million that the taxpayers of Saskatchewan would save if they could get these fellows to move out and let some business administration take their place.

**Premier Douglas:** — Like the roads you built!

**Mr. Loptson:** — I built just as good a road as anybody else. We all follow the engineer's sticks. Don't blame the contractors for not building a good road; the engineers decide what kind of roads are built. I am not saying that they are not building a pretty fair road now, but it is costing too much money.

There is another thing that I want to take up particularly with respect to the remarks that were made by the hon. Provincial Secretary (Hon. Mr. Brown). He was quite bold in charging that the Liberal party went out last election and tried to bribe the people to vote for them. He was particularly fluent on his rural electrification. I am going to tell my hon. friend that I was one that did that so-called 'bribing' that he refers to, but I didn't do it the way he said, and I want to tell you and this House how I presented the case. I have here a letter from the Manitoba Power Commission, which pattern we were going to follow fairly closely, but not quite as generously. I am going to read this to this House:

“The Manitoba Farm Electrification program was the result of a Manitoba Electrification Inquiry Commission which was appointed by the Provincial Government in 1942 to study the feasibility of extending electricity to the rural areas of the province in the post-war period.

“This Commission, with great foresight, indicated that the plan was practical on an area coverage basis and recommended that it be carried out as a self-help project. The plan was implemented in 1945 on a test basis. The test proved conclusively that rural electrification was feasible, and it was decided to proceed with the program at the rate of 5,000 farms per year. By 1948 the goal of 5,000 farms per year had been achieved, and proceeded at this rate until its completion last March.

“Last month another hydro milestone was passed when the Commission connected 100,000 customers. The completion of the area coverage rural electrification project and the subsequent connection of 100,000 customers means that over 90 per cent of the farmers in the province of Manitoba are now in areas where electric power is available to them.

“The Manitoba Power Commission has extended service to over 42,000 Manitoba farms – over 80 per cent of the provincial total. While its farm electrification on an area coverage basis has been successfully completed, service may still be extended to farmers living in previously energized

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areas who had not taken advantage of the service, and to farms located in small located pockets, many of which may now be feasibly serviced. In this connection the Commission is currently engaged in extending service to some 2,500 farms; within the area previously electrified the extensions have been and are being built to farms without any cost to the farmer other than his cost to wire his own buildings.

“The Manitoba Power Commission brings the service to a yard pole located in the centre of the farmyard on which it has mounted transformer and meter. The farmer has connected his building, wiring, to this yard service pole. In the remote, isolated pockets which contain a very small percentage of the farms of the province an extension up to 1 ½ miles in length is made without any contribution by the farmer. However, an extension of greater length does require the farmer to pay extra cost. For energy consumed by farmers monthly accounts are computed at the following rate: For a standard 5 h.p. service – For the first 50 kws used each month, 8 cents per kw; for the next 100 kws used in the same month, 2 cents per kw; for all additional energy used the same month, 1 cent per kw. Prompt payment carries a 10 per cent discount. minimum monthly bill is therefore \$3.60.”

Now, Mr. Speaker, I submit to you that if Manitoba is able to do this for its farmers, then Saskatchewan should be able to do the same for its farmers here.

**Hon. Mr. Nollet:** — You know better than that, ‘Minty’.

**Mr. Loptson:** — Well, I am going to tell you how we were going to do it. I am going to proceed to tell you how we were going to put in electrification on a more reasonable basis than the C.C.F. are doing.

**Hon. Mr. Willis:** — Proceed.

**Mr. Loptson:** — Yes, we were boo-hoed in some of the meetings until I asked thee questioners where the flaw was, and they couldn’t say. I told the people that, if we were elected, we would bring electrification to their yards upon a deposit of \$100. I didn’t tell them that weather were going to do it for nothing. I told them they would simply have to put up \$100. I told them, also, that we might hold that \$100 for ten years as a guarantee that they would use electrification for that time. I also told those other people who had already paid that we were going to return to them their money, and that also was boo-hoed; and they would say “how are you going to do it?” Well, we had one of three ways to do it. We could have borrowed the money and paid them back.



**Some Govt. Member:** — Say you couldn't?

**Mr. Loptson:** — And we had another way we could very well do it . . .

**Some Govt. Member:** — Listen carefully, 'Hammy'.

**Mr. Loptson:** — We could take the distribution of power in the city of Saskatoon and some of those cities that you are now supplying electricity to at the rate of 10 per cent less than cost. Oh yes, not many farmers know that. You, Mr. Speaker, gave us the rate of what it would cost you to generate electricity in Saskatoon, and the rate quoted last session was 9.9 mills, and that you were providing the city of Saskatoon with making about a million dollars profit out of the distribution. Why don't you socialize it? You haven't got the courage to do it, because you have too many votes there; that is the only reason. The farmer can pay through the nose, but these people can make a profit without even generating the electricity.

**Hon. Mr. Nollet:** — They'd make a bigger one on your deal.

**Mr. Loptson:** — Well, we could have done that and we could have made money enough to get ourselves in a similar position as the Power Commission in Manitoba. What about Regina here? Are they preferred more than the rest of the people in Saskatchewan? I want to tell you this also that if it wasn't for the farmers staying out on the land and in these towns and villages out in the country, there wouldn't be much to Regina; grass would be growing on many of the streets in Regina in less than five year, if the farmers all quit.

But there is another way I told them we could probably do it, and maybe that would be the most practical one.

**Mrs. Cooper (Regina City):** — Are you suggesting this?

**Mr. Loptson:** — Every user of electricity is charged a minimum of \$5.00 for 50 kws., and on top of that he pays 15 cents Education and Hospitalization Tax. That costs him \$61.80 a year for 600 kws. If the Commission takes energy from Estevan, according to your figures last Session, the 600 kws. would cost the Commission \$3.60, and the farmer pays \$61.80, so it is impossible to pay him back \$50 out of that \$62 — that would be \$53.60 and you would have enough left for the administration.

**Hon. Mr. Brown:** — No wonder they turned you down!

**Mr. Loptson:** — Oh yes, that's too much arithmetic for you. That is not enough profit. You would still have \$8.00 for administration purposes, and I submit to you, Mr. Speaker, that it wasn't too much

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consideration for the farmer to take the interest out of the general funds for the next 10 years, or out of the profits of the Corporation. The farmers still have 30 years to pay for the cost of the line, because, according to your own statement, the life of an electric line is 40 years. So all that you would be contributing to the farmer for the time being was to pay the interest on the original cost; eventually it would all be paid for in the end. Yes, that is the way we tried to bribe the electorate, or you said that we were bribing them. I submit that, in this way, he got his money back in 10 years about the same time as a new applicant got his \$100 back.

Well, the C.C.F. went around the country and persuaded the majority of the farmers that it was better for them to pay \$500 for their electricity under the C.C.F. Government than to get it for nothing under the Liberal Government. That isn't the only thing we did. We told the people that we were going to build the grid road system, which this C.C.F. Government wants them to pay half of.

**Hon. Mr. Brown:** — You got your answer on that one, too.

**Mr. Loptson:** — Yes, and we told them how we were going to do that, too. We told them, in the first place, that by building the same amount of road as the C.C.F. promised to build, that the promised to them that we would build a grid road at the rate of \$25 million over four years, which would mean a contribution of approximately \$6,250,000 a year. Dividing that up among the municipalities it meant a grant equivalent to over \$20,000 a municipality and (Lo and behold!) you had some satellites of the C.C.F. in the form of some secretaries and reeves and councillors who went out and worked and voted against that policy.

**Govt. Member:** — Do you blame them?

**Mr. Loptson:** — How were we going to do that? Well, of course, we were going to borrow some money. We were going to borrow only just as much as the C.C.F. are going to borrow, and the rest of it we were going to save on the administration, which wouldn't be very hard to do.

**Hon. Mr. Brown:** — Brother, it's no wonder they turned you down!

**Mr. Loptson:** — But now that they didn't want it and voted against it, these farmers who are so sold on the socialistic idea, they are so magnetized or hypnotized by the funny stories of the Premier when he comes around, that they and some reeves and councillors and secretary-treasurers sold their ratepayers down the river to the extent of \$20,000 a year for the next four years.

Then we had another one – oh yes, we had more than that to (so-called) ‘bribe’ the voters. We told the voters that we were going to pay 50 per cent of the cost of schools; that is the operation costs. They asked us where we were going to take that money from. Well, there was about \$9 million coming from Ottawa.

**Hon. Mr. Nollet:** — Fifty per cent isn’t enough.

**Mr. Loptson:** — And they would have got all of that money.

**Premier Douglas:** — What \$9 million would that be?

**Mr. Loptson:** — And in addition to that . . .

**Premier Douglas:** — Would the hon. member tell what \$9 million from Ottawa that is? What is he referring to?

**Mr. Loptson:** — If the Liberals were in power in this province they wouldn’t be losing the population and. . .

**Premier Douglas:** — When do you think we lost them?

**Mr. Loptson:** — . . . the fact that we are not getting it now is because the farmers are going to other provinces. The young farmers are going to Manitoba. They are steeling on land over there because they can get electrification cheap; they can buy land on credit (which they cannot do in Saskatchewan), and we would soon increase the population so that we would be getting the \$9 million or maybe \$10 million extra, and we would be able to do what we promised.

That is the way we tried to ‘bribe’ the voters, and had they voted for us they would have got everything that the Liberal party promised. I happened to have had something to do with drafting that plan. . .

**Hon. Mr. Brown:** — We knew that!

**Mr. Loptson:** — . . . and I am not used to going out promising people something that cannot be done. I have never in my life, as long as I have been in politics, promised anybody anything except to do the best I can for them. In this case I felt I was justified in promising the best I can for them. In this case I felt I was justified in promising them a definite thing, because I knew it was possible. In any event, if there were ‘doubting Thomas’s’ in the country, they could have at least taken a chance on us for four years to see whether we would do it; and if we didn’t carry out those promises, then they could have kicked up our next election. Contrast that with the promises and the bribery of the C.C.F. when they came into power. Oh yes! They were going to take off the Education Tax; and there was about \$4 million revenue into the province in 1944 from that tax, and over \$10 million today. That is how they took it off. They were going to give us hospitalization without charge, and what has that come to?

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**Mr. Danielson:** — And without price.

**Mr. Loptson:** — Yes, and without price. And it has cost us in the neighbourhood of \$20 million per annum. Yes, they were going to take the burden off the farmer and the taxpayer for the cost of education. Well, I think all you have to do is to consult your tax receipts and compare them to what you were paying in 1944, and you will see how they carried out that promise.

You talk about bribing voters. If there is anyone in the history of the Dominion of Canada that can beat the C.C.F.ers for bribery, I would like to know it; they are tops.

We have other things that we have to talk about. We hear much about wheat, and I just want to say a few words, before I quit, about wheat. The boys over there are masters at shedding tears.

**Mr. Danielson:** — Weeping Thomas's!

**Mr. Loptson:** — Weeping Thomas's. The hon. Premier, the Minister of Agriculture, the Provincial Treasurer and those experts they have in Ottawa certainly would be a good team to handle our wheat. I am going to submit to you, Mr. Speaker, that this next election should be a plebiscite as to whether this Government should conduct the Wheat Board or whether the Government at Ottawa should do it. I am going to make that challenge to the farmers of Saskatchewan. If they continue to hard and undermine the activity of the Wheat Board, as they have done in the last four years, it is absolutely untenable — and why should Ottawa be bothering with it anyway? They are under no obligation to be handling that Wheat Board.

**Premier Douglas:** — Why?

**Mr. Loptson:** — They are under no more obligation to see the wheat of the western farmer than they are obligated to sell goldbricks or the gold ore or the copper ore from the mines of the north.

**Mr. Berezowsky (Cumberland):** — What about the uranium?

**Mr. Loptson:** — They are under no obligation there except for security reasons.

**Hon. Mr. Nollet:** — Ask the Federation that.

**Mr. Loptson:** — This, Mr. Speaker, is a remnant of a group of men like my hon. friend, who spoke the other night, the Minister of Social Welfare.

**Hon. Mr. Nollet:** — You never answered his question, though.

**Mr. Loptson:** — He said that I have never said that I was in favour of the Wheat Board. I am going to tell my hon. friend over there

that I never made any apologies for not supporting or endorsing a policy that has lost the farmers, the wheat-growers, of this western country over a billion dollars during the last 30 years. And I am going to prove it to you.

**Premier Douglas:** — It's out!

**Hon. Mr. Nollet:** — Now we know!

**Mr. Loptson:** — Over a billion dollars; and I think that, if the Provincial Treasurer was to figure up all the losses that the farmers have sustained as a result of their policies it would probably be a billion and a half, because he is pretty good at this kind of figures; but I am making it clear. This wheat problem is now new. It started as far back as 1927. It came to a break in 1930, and I am going to say, without fear of contradiction, that if this kind of agitation is carried on, within the next decade we will be in the same condition as we were in 1930 with respect to our wheat.

**Hon. Mr. Nollet:** — Yea, then the Grain Exchange will have it.

**Mr. Loptson:** — You are not going to shove anything down the throats of these men across the water.

**Hon. Mr. Nollet:** — Neither are you.

**Mr. Loptson:** — Even Mr. Howe wouldn't do it, or couldn't do it if he wanted to; and if the farmers of Saskatchewan continue to elect men to run their affairs of the calibre that they have had in the last 10 years, or the last 30 years, then they are going to get back into the same position with their wheat as they were in 1930. Give away! Give away you wheat is their cry.

**Premier Douglas:** — Could I ask my hon. friend a question? Do I take it he is deploring the fact that the Wheat Board might be abolished, and then he says the Wheat Board cost the farmers a billion dollars?

**Mr. Loptson:** — The Wheat Board, no. The Wheat Board is the result of what has happened before the Wheat Board was set up, and you couldn't do without the Wheat Board right now until you straighten things out.

**Premier Douglas:** — Didn't I understand my friend to say that the Wheat Board had cost the farmers one billion dollars?

**Mr. Loptson:** — The Wheat Board is trying to salvage the farmers.

**Mr. McDonald:** — You and Argue.

**Mr. Danielson:** — You and Argue get the credit!

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**Mr. Loptson:** — In 1930 how many millions did they lose, just carrying out similar criticism and policy as they are doing now?

**Premier Douglas:** — We didn't have a Wheat Board, that's why.

**Mr. Loptson:** — They are trying to do the same thing with the Wheat Board as they did with the Wheat Pool in 1930. The Wheat Pool, when it was established, was the best marketing method that we could set up.

**Premier Douglas:** — But the Communists started it, you said.

**Mr. Loptson:** — Probably they did; but they are dead and gone; but the Liberals were the ones that finished setting it up.

**Premier Douglas:** — That's right.

**Mr. Loptson:** — The Liberals put it on a sound basis, and if it hadn't been for the mentality of the group that was running it, or dictating the selling policy, it would have been one of the finest marketing organizations today.

**Hon. Mr. Willis:** — He's against the Wheat Pool, too!

**Mr. McDonald:** — You just woke up.

**Mr. Danielson:** — You didn't have anything to do with it, anyway.

**Mr. Loptson:** — Trying to dictate to these fellows overseas, and telling them that we put our price on and you take it or leave it did not work. The fact was that they left it. Who was it that started the agitation about a cartel in 1927? That was the start of the subsidy policy of wheat in importing countries. They got scared of this combine that was being set up.

**Hon. Mr. Nollet:** — What combine?

**Mr. Loptson:** — The combine between the United States, Canada, Argentina and Australia, for the control of the price of wheat. They were the major exporters. It was then the importing countries started subsidizing home production. What would you have done if you had to face a combine or a cartel set up to hold the price of wheat at their price?

**Mr. Korchinski (Redberry):** — It's too deep for them.

**Mr. Loptson:** — Sure, it's too deep; they can't understand it. But that is what happened. Then in 1929 they thought they would show these fellows across the water that they were master of the situation, and they put \$2.00 a bushel on their wheat and said 'take it or leave it.'

**Premier Douglas:** — Who did this?

**Mr. Loptson:** — Those who controlled the Pools – not the President or the executive because it killed the President; but the same outfit that is dictating to the President and executive now of the Saskatchewan Wheat Pool, and they admit that they are having to do the things that the C.C.F. – or at least the majority of the delegates who are infiltrated C.C.F.ers, dictate as they are controlling the management now. Mr. Gibbings, Vice-President, at the Agriculture Committee last session, admitted that they had to reverse their decision at the request of the majority of the delegates at their meeting.

**Premier Douglas:** — Sounds like democracy.

**Mr. Loptson:** — Democratic – but what was the result? Yes, sure, they should know better than the men who have spent a quarter of a century dealing in wheat! And then you get these C.C.F. numbskulls from the country telling them what to do.

**Premier Douglas:** — That's the way to describe the delegates. They'll appreciate that.

**Mr. Loptson:** — Certainly, that's what they are, — those C.C.F.ers. What in thunder do they know about marketing wheat?

**Premier Douglas:** — The Wheat Pool delegates are gong to love this!

**Mr. Loptson:** — I've got some of them in my own constituency and I know just how bright they are. All they know is C.C.F. – that's all. And they don't even know what that means. All they know is that they are C.C.F.ers.

What has this Government done to help the farmers? I don't know of any government that ever reigned in Canada that was less a friend to the farmer than the C.C.F. Government in Saskatchewan. What did they do for the farmer in 1951, when the Government of Canada was endeavouring to get Great Britain to honour the 'have-regard-to' clause in the four-year U.K. Agreement?

**Premier Douglas:** — Here we go!

**Mr. Loptson:** — I am going to bring it forward, yes; and some day the farmers will wake up and realizes why that speech was made in this House at that time. Surely the time will come when they will wake up and realize what it meant. That four-year agreement called for a delivery of 600 million bushels of wheat during a period of four years. The first two years were to deliver, and delivered 320 million bushels at \$1.55 a bushel, at the rate of 160 million bushels a year. The third year we were to deliver,

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and did deliver, 140 million bushels, and the fourth year we were obligated to deliver another 140 million, making 600 million bushels in all. The third year the bottom was \$1.20; the fourth year the bottom, or floor, was \$1.00; but from the very beginning of the signing of that agreement, instead of the prices going down they went up, until at some periods wheat on the open market was as high as \$3 a bushel. When the first two years had passed and we had delivered the 320 million bushels, an agreement was made between the Government of the two countries that the third year price should be \$2.00 a bushel. The price still continued high, and went away above the \$2.00 a bushel; so, when the fourth year came around, they decided that they again would agree to honour the 'have-regard-to' clause to the extent that they would make it \$2.00 a bushel again, and in spite of that price was still high.

When the four years were completed it was only natural that some consideration should be given to the 'have-regard-to' clause as it referred to the first two years that we were delivered the wheat at \$1.55, because even during that period the open market was higher than the \$2.00 paid by the United Kingdom on the last two years. So, when Mr. St. Laurent was at the Premiers' Conference in London, in December of 1950, he approached Mr. Attlee with regard to opening negotiations on this 'have-regard-to' clause, and Mr. Attlee agreed that there was reason to ask for an adjustment and told him to send a representative, after he got home, to negotiate on that 320 million bushels. It was generally assumed that, if there was any adjustment being made, that the first two years delivery would be brought up to \$2.00 a bushel so that the whole contract would level off at that price; and in February or March, Mr. St. Laurent sent the Minister of Agriculture to negotiate this agreement. Luckily for him he took the President of the Wheat Pool (Mr. Wesson) with him, and while they were on the boat going to London the Minister of Municipal Affairs (Hon. Mr. McIntosh) stood up on the floor of this House and made a speech wherein he said that the British people have already paid \$182 million more on that contract than they needed to. That was no sooner said that it was on Mr. Attlee's desk, in London.

Why did he make that speech? That is what I would like to know. There was no provocation. There was no debate about it. He just came out of the blue, started to talk about the U.K. Agreement in order to get this in, so that it would go over to Mr. Attlee who was the Prime Minister of Britain then, and the result was that neither he nor any other Prime Minister could have paid another cent on that agreement . . .

**Mr. Danielson:** — And Graham Spry, too.

**Mr. Lopton:** — . . . when a Minister of the Government that represented the province that produced the most of the wheat that went over there said that we had already been overpaid.

**Some Opposition Members:** — That farmers' friends!

**Mr. McDonald:** — Shame!



**Mr. Loptson:** — Why was this done? It was done for no other purpose than to try to create dissension among farmers in the province by saying that the Federal Government didn't pay them enough under that agreement, although they weren't under any obligation to pay any on it; but that 45 cents a bushel on the 320 million bushels which was expected from the U.K. Government, would have made the farmers \$144 or \$145 million. That is what that speech cost our farmers.

**Hon. Mr. Nollet:** — What a bad man!

**Mr. Loptson:** — Oh yes, he wasn't the only one. the Premier had been very fluent in expounding his theories on selling wheat that cost the farmers a lot of money. The first 'give-away speech of the Premier, I believe was made in 1953, in July or somewhere around that. In 1952-53 we had exported about 385 million bushels, but after the Premier of Saskatchewan (who, after all, represents the people that grow most of the wheat) and his satellites in Ottawa, started on a program of give-away and taking worthless currency for wheat, it caused our next year's exports to drop by 130 million bushels, down to 255 million. Laugh that off!

**Premier Douglas:** — That was the reason, of course.

**Mr. Loptson:** — The main reason was your speeches, and I can prove it by statements made by Mr. Wesson, President of our Wheat Pool.

**Premier Douglas:** — Go ahead!

**Mr. Loptson:** — And I can prove it by statements of Mr. Howe, and I can prove it by the Crown Ambassador or Trade Commissioner of Great Britain.

**Premier Douglas:** — Well let's have Mr. Wesson's statement.

**Mr. Loptson:** — No, I want to finish this first. I have something else, then I will give it to you. The Premier made that statement and that cost us at least half of that loss in exports. Then we find that the International Wheat Agreement staying at \$2.05 for a long time, but the C.C.F.ers weren't satisfied with that. They had to have something to do with selling the wheat that was accumulating. Yes. So they went on another 'give-away spree' and about two months afterwards we find that the I.W.A. wheat price had broken by 10 cents a bushel. We had 400 million bushels for export so that cost us \$40 million, that speech of the Premier.

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You know, every time I hear him open his mouth, he reminds me of the tramp that was killed in an automobile accident. He was mistaken for a fairly well to do farmer, so he was taken to a respectable undertaking parlour and the undertaker saw that there was a possibility of making a little money out of a good funeral so he dressed the old tramp up the best way he could. He bought him a new suit and everything; but eh in process he opened his mouth and his top teeth were exposed. So, when the family came to a review of the remains of their friend, they noticed that there were no gold fillings in his upper teeth, as their friend was supposed to have; so they just walked out and disowned him. The undertaker seeing his profits gone, looked at him and said, "You damned fool, if you had known enough to keep your mouth shut you might have had a decent funeral." There are the farmers in the place of the undertaker every time the Premier and the C.C.F. in Ottawa open their mouths about wheat.

Now, Mr. Speaker, there is a lot of trouble over this wheat. I was more or less ridiculed because I suggested that \$2.00 a bushel on the first 1,000 bushels of wheat might be some help to the small farmer, last year. I still maintain that, if we are going to preserve our family farm, something has to be done to augment this income. I don't want to encourage anybody to live on a half-section of land, on grain alone. I think that should be discouraged; but the man who wants to make a home on the land – and there are many of them throughout our country side who love the land, like to live there, like to make their home there, and they are prepared to give a good day's work if they can get a reasonable return; and I think that that should be done and can be done. I don't care whether it is \$2.00 or \$2.50 or \$2.25 per bushel. I think those who are everlastingly demanding more for their services, like the labour unions, should contribute to that section of our society that suffers the most as a result of their actions. For that reason I am still going to suggest that at least \$2.00 or \$2.25 should be paid for the first 1,000 bushels of wheat, No. 1 Fort William, and that should be confined to those who live on the land and are making that their homes.

I am opposed to a two-price system. It is cumbersome and has the tendency to raise the price of bread that is the diet of the low-income people. I would rather suggest that that money – and the difference between the average selling price of the wheat during the year and the ceiling that we proposed to put on that first 1,000 bushels of wheat – should be placed into the treasury of the Wheat Board on behalf of the consumers of Canada. Thereby you would not be interfering with the cost of flour for home consumption, nor would you be subject to the expensive bookkeeping and inspectorates and all that that goes with the two-price systems.

There is no reason why we shouldn't be able to do that. We know pretty well, or near to a million bushels at least, how much wheat is being consumed in Canada every year, and on that basis I suggest that that bonus should be placed in the treasury of the Wheat Board, and that that should be distributed in a manner whereby it would help the most to keep the people on the farms.

**Hon. Mr. Nollet:** — How much for the rest, Minty?

**Mr. Loptson:** — I am not concerned about the large farmer. He has his troubles, too; but a man who has 10,000 or 50,000 or 100,000 bushels of grain on his farm has it there as a result of exceptionally good crops. We hear that we should pay them storage. Well, I shouldn't be against storage any more than my friend from Wilkie. I and my associates have 50,000 bushels of oats, and we haven't a Chinaman's chance, by the looks of things, to sell them in the next two years. Why should I be opposed to it? It would be a nice thing, wouldn't it, to get \$400 or \$500 a month storage? Then, if you want to give me an advance of 75 per cent of the market price, free of interest, it would be a pretty nice thing, too; I could put it in Trans-Canada Pipeline shares . . .

**Mr. Danielson:** — Or in the cement plant!

**Mr. Loptson:** — . . . and it would make a nice sum of money, but who is going to pay it?

**Mr. McDonald:** — Toby!

**Mr. Loptson:** — Down around my district there isn't one man out of 10 who has enough grain in his granary to either borrow on or collect storage on. There is less than 30 per cent of the farmers in western Canada that are carrying any surplus of grain, and you are wanting the other 70 per cent to pay them the storage.

**Premier Douglas:** — The figures don't bear it out.

**Mr. Loptson:** — My hon. friend doesn't seem to know. Maybe I can give him a little information that might be of value to him. This is a survey that was taken during the rusty year, and they took a very thorough survey of the number of farmers and the acreage that they own.

**Premier Douglas:** — When was it taken?

**Mr. Loptson:** — In 1954.

**Premier Douglas:** — Well, you can't use that now.

**Mr. Loptson:** — Well there will be fewer farmers now because I know in my area there are no less than 57 farmers who have moved out of the province of Saskatchewan, altogether.

**Some Opposition Member:** — Under this Government.

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**Mr. Loptson:** — A large number of them have gone into Manitoba. Now here is what happened in 1954. There were 114,000 farmers in Saskatchewan: 19,459 were one-quarter section farmers (I didn't think there were that many quarter-section farmers) or 17 per cent; 23,655 were half-section farmers, or 30 per cent; (there you have 47 per cent) and the three-quarter section farmers were 22 per cent, or 24,976. You can consider all these as small farmers; that would be 69 per cent of our farmers are three-quarter section or less.

**Premier Douglas:** — That doesn't prove they haven't got wheat, though.

**Mr. Loptson:** — That proves that these men are family-farm size.

**Premier Douglas:** — But they still have wheat, a lot of them.

**Mr. McCarthy:** — No, they haven't got wheat.

**Mr. Loptson:** — And the rest of them are the men who grow the most of the wheat. Mr. Wesson admitted that. Mr. Wesson made the statement that paying storage on grain was taking it out of the pocket of the little fellow and paying it to the big fellows. It was also admitted that these figures were substantially correct, that there was about 30 per cent of the farmers producing 70 per cent of the wheat. And the same thing with advances.

We hear an awful lot about price controls. Yes, price control is now new, and, of course, there is nothing new that these C.C.F.ers suggest because they haven't got anything new in their heads. They just pick up some ancient history and bring it out because it has been forgotten. There is an interesting article that appeared in the press, the other day . . .

**Premier Douglas:** — You're thinking of the 1919 Liberal platform.

**Mr. Loptson:** — Here is price control; just to give you an idea that it is not a new deal. I quote:

“Price Control: The demand for price control has tended to die away as the unsoundness of the proposal became clear to the public. Even so, the following quotation from a letter to George Washington, in 1777, is worth reproducing . . .”

So that is how old your theory is that you are trying to produce now:

“One of the signers of the Declaration of Independence, who is put down in history as a clergyman, statesman, educator and autho . . .”

**Mr. Danielson:** — what a combination!

**Mr. Loptson:** — “. . . wrote to General Washington as follows:

“Fixing the prices of commodities has been attempted by law in several states and it has increased the evil it was meant to remedy, as the same practice ever has done since the beginning of the world. To fix the price of goods, especially provisions in the market, is as impractical as it is unreasonable. The whole population concerned – buyer and seller – will use every art to defeat it and will certainly succeed.”

So that theory is now 1777 subtract it from the present 1957, and you will have it right; it is now 180 years old.

I want to give you another item here from a Socialist, and that ought to be interesting to my hon. friends. Mr. Gaitskill – he said here, and I am just going to read a short article:

“What about profits and dividends . . . that is disturbing the Labour party, most in the question of profit and dividends.”

Here Mr. Gaitskill threw cold water on many labour supporters. He cannot really say that high profits had been an important cause in the rise of the cost of living. The increase in dividends, he showed, has been every much less than the increase in wages. On the attack to undisputed profits he spoke realistically; to take them away and spend them on foreign consumption would be at once inflationary and a blow to industrial efficiency. Wages, of course, are an economic fact which the C.C.F. simply does not mention. Mr. Gaitskill was less reticent. The Guardian reported him as follows:

“In his closing passage the Chancellor came to grips with what was most in the minds of his hearers. Wages he did not reach, but he showed skilfully that without restraint in wage demands we can easily set off a new inflation process. Some increase in the cost of living is inevitable and immediately forecast foreseeable. We must let it go; there may be more settled prices by the end of the year, but prices here will go on rising through 1952 if we go on pushing up our wages and salary costs.”

And that is the Labour man; the British Socialist who is a responsible Minister of the Government, knocking the argument of the C.C.F. into a cocked hat. Now that is what you get.

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The Premier says that wages have nothing to do with the costs of production.

**Premier Douglas:** — When did I make this statement?

**Mr. Loptson:** — Oh, I'll get it. I think it was in your last speech.

**Premier Douglas:** — Oh, I'd be glad to hear that.

**Mr. Loptson:** — I'll look it up.

**Premier Douglas:** — Will you get that statement of Mr. Wesson's you were going to give us also?

**Mr. Loptson:** — I'll look that up, too. Now, here are conflicting statements of two eminent labour leaders. One is Mr. Mosher, who warns his followers to keep down wages and produce more to keep down inflation, indicating that if we continue on a wage drive we will drive ourselves out of the market.

**Hon. Mr. Nollet:** — How about the profits?

**Mr. Loptson:** — And Mr. Reuther, who is on the other side, and says the more we get the better it is for us. We don't care what happens. Then we have a statement here . . .

**Mr. W.G. Davies (Moose Jaw City):** — Mr. Speaker, would the hon. member yield to a question?

**Mr. Loptson:** — After I am through. Here is a chart showing how labour affects production. We must realize that everything that is produced is as a result of human effort in one way or another.

**Hon. Mr. Nollet:** — Labour does it all.

**Mr. Loptson:** — Whether it is labour manually, or whether it is labour mentally, it is labour anyway; and when you say that labour has nothing to do with the cost of production, it is just sheer nonsense.

**Premier Douglas:** — Nobody ever said that.

**Mr. Loptson:** — Well, every C.C.F. pamphlet you pick up on labour says so.

**Premier Douglas:** — Nobody ever said any such thing.

**Mr. Loptson:** — I will find it for you.

**Premier Douglas:** — Yes, I'm sure you will.

**Mr. Loptson:** — But anyway, this chart shows about 83.2 per cent in every service; that is the average cost of labour in every service,

while the official salary is 6.6 per cent . . .

**Hon. Mr. Brockelbank:** — Mr. Speaker, on a point of order . . .

**Mr. Danielson:** — What order have you got?

**Mr. Loptson:** — And then the dividends are 6 . . .

**Mr. Speaker:** — Order! Order! State your point of order.

**Hon. Mr. Brockelbank:** —The point of order is, Mr. Speaker, that the hon. member is going to bring in here witnesses other than himself and quoting from them, and he should give to the House the source of this information that he brings in here and quotes. Otherwise, it is not the member who is speaking at all, but some unknown person.

**Mr. Loptson:** — If you want the name of it, it is the Constitution and Free Enterprise Foundation Incorporated in the United States. Oh yes! And a C.C.F. Socialist said it is no good; but I don't think it is laughed at by anybody except my hon. friends over there.

Then I will give you another one. They say that these big profits of machine companies . . .

**Hon. Mr. Nollet:** — What are you quoting from?

**Mr. Loptson:** — . . . that big profit is taking all the profit out of the farmers, and I am going to give the statement of one large corporation. I want to tell you, Mr. Speaker, and tell my hon. friends (I don't have to tell the Provincial Treasurer because he knows) that they can get a book, an industrial survey that gives the financial statements of every corporation that is registered in Canada, which shows what profits they have made, what taxes they have paid, and what wages they have paid. I have one. My hon. friend has one. Anybody who has any interest in the truth can get it . . .

**Hon. Mr. Nollet:** — Well, what does it prove?

**Mr. Loptson:** — . . . and you should have one if you want to be informed; but you probably don't want to be informed because then you wouldn't be able to make the statements that you do.

**Hon. Mr. Nollet:** — It just breaks my heart to look at it.

**Mr. Loptson:** — You have been talking about the implement companies and all the profits they make on the high price of machinery. You admit that, don't you? You have made the statement that they are responsible! I have here a statement from the Cockshutt Farm Equipment Company.

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**Hon. Mr. Nollet:** — I knew we'd get around to it.

**Mr. Loptson:** — Well, you can't say that they aren't a fair good-sized company. Their profits, in 1952, were fairly sizable, they made that year, a net profit of \$2,283,000 or 5 per cent on their sales. Then they come to 1953 and their sales were down to \$49 million and their profit was only \$1,145,000 or 2.3 per cent on their sales. Then they come to 1954 and their sales were down to \$30,666,000 and they lost \$1,919,000, and at the same time our Federal Government lost because they share about fifty-five with the companies. In 1955, their sales came up by \$1,932,000 and they lost \$124,000; and in 1956, they came up a little bit more and they made the handsome sum of \$645,000 on sales of \$34 million.

**Hon. Mr. Nollet:** — It's a sad story!

**Mr. Loptson:** — That is 1.8 per cent on their sales, and you and other C.C.F.ers go around saying that these fellows are making so much profit that they are crushing the farmers.

**Hon. Mr. Nollet:** — You only tell half the story.

**Mr. Loptson:** — Somebody inferred that the Liberal party was corrupt. Well, of all the people to say anybody was corrupt, the C.C.F. should be the last ones, because the clouds are heavy over their heads.

**Mr. Danielson:** — They'll clear some day.

**Mr. Loptson:** — I should say, Mr. Speaker, that I would never have mentioned it, but I have to at least give you some idea of what is hanging over the head of this Government in the way of corruption, or at least condoning dishonesty in the service. I am not accusing any of the Ministers, but they have at least allowed the Rawluk case to be unsolved. Somebody was wrong there. They haven't cleaned that up, and it was a simple matter to do so. Somebody had to be guilty — either Rawluk or the ones that were accused; and the Government has not seen fit to clear that up. They have done nothing about the Wilkes case, which is a pure steal. No government can prevent somebody gone wrong, but every government has the same implement to protect itself by, and that is when they find somebody going wrong they can prosecute them under the Criminal Code. They have done nothing about Mr. Wilkes. They did sue him and then, apparently, they were afraid he was going to take the case to court, so they withdrew the charge and paid the costs of the court or at least \$350. And what about that sodium-sulphate? I have the engineer's statement here of its original estimate cost of \$250,000; it ends up that it cost the Government over \$1 million. Certainly it should be worthwhile investigating and letting the public know where the extra cost is!

Then I might say what happened even before that. It was rather peculiar to see this Government amend The Legislative Assembly Act, making it retroactive to 1951, making it possible for all the Ministers and



and every member of this Government, even members on both sides of the House . . .

**Hon. Mr. Nollet:** — Old Walter Tucker is here again.

**Mr. Loptson:** — . . . to meddle in natural resources of this province. It was only after some of the Opposition raised the question that they repealed it the next session; but that doesn't say that there weren't transactions through that intervening period.

**Hon. Mr. Nollet:** — Does my hon. friend say there were any transactions?

**Mr. Loptson:** — No, but there was nothing to prevent transactions going through during that year. That was the period when Mr. Rubbra got his 14 million acres . . .

**Hon. Mr. Nollet:** — More innuendoes!

**Mr. Loptson:** — . . . and then got rid of them in a matter of a few days and an unstated cash consideration and 2½ per cent overriding royalty.

Than we had this Bata episode. Yes, you talk about profit on the Trans-Canada Pipeline! This Government was responsible, or at least it made it possible, for the promoters of Albercan Petroleum to come here with \$3,00, get 1,800,000 acres from a little company that was struggling, with some 2,600 Saskatchewan shareholders. . .

**Hon. Mr. Brockelbank:** — You're wrong as usual.

**Mr. Loptson:** — There were over 2,000 Saskatchewan shareholders anyway. With their money they discovered oil, they discovered gas, they discovered the salt, they discovered the potash; and yet my hon. friend had the audacity to close up their books and their offices so that their leases would be defaulted, and they could transfer them to a many by the name of Newkirk from Toronto and some of his associates. The picture is here. . .

**Hon. Mr. Brockelbank:** — Mr. Speaker, the hon. member is talking about something of which he knows nothing. He is ascribing actions to me which I did not take. He is pointing at somebody over here; he is absolutely wrong, and I want it clearly on the record that the story he is telling has no foundation in fact.

**Mr. Gardiner (Melville):** — That's just your opinion.

**Hon. J.T. Douglas:** — You, above all, know nothing about it.

**Mr. Loptson:** — We have the records. We investigated the Security Commission here where they had got it registered, and they indicated that they had a capital of \$3,000 — this Mr. Newkirk and his associates;

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Dr. Shumiatcher was apparently their legal counsel. They went to the State of Delaware in the United States, the only state in the North American continent where you could get a charter without exposing the holdings of its promoters. They came back to Saskatchewan with a company capitalized at 8,000,000 shares of which the law of the land, even in Saskatchewan, allows the promoters to hold one-third, or 2,666,000 shares. After a little operation they induced the Canada Southern to buy the other two-thirds. Ordinarily this one-third of the 8,000,000 shares would have been held in escrow and kept off the market until the other shares had been sold, but it wasn't necessary in that case, because one company bought the other two-thirds, and inside of a year those shares were selling for \$5.00 a share right here in the city of Regina.

**Hon. Mr. Brockelbank:** — Do you know why?

**Mr. Loptson:** — That was a nice profit.

**Hon. Mr. Brockelbank:** — Because they went to work. They discovered oil.

**Mr. Loptson:** — That meant that the company jumped from \$3,000 to \$0 million inside of 18 months at the expense of the Bata Petroleum, because it was their lease that made it possible; it was semi-proven property.

No. Mr. Speaker, this Government, this Party, has no right to call anybody down for corruption or anything else. I think I have said about enough.

**Mr. Brown (Bengough):** — You haven't said anything yet.

**Mr. Danielson:** — More than you like to know, or hear.

**Mr. Loptson:** — I want to say a little bit about the Federal Government, and what it has done for western Canada.

**Mr. Brown (Bengough):** — That won't take long!

**Mr. Loptson:** — I think it is about time that the people, at least the farmers, should know just what their Federal Minister of Agriculture has done for them since 1935. He probably hasn't got much longer to go

...

**Some Govt. Member:** — I hope not.

**Mr. Loptson:** — That is just the appreciation of my hon. friend. But how important it is for the farmers of Saskatchewan to express by their vote as to whether they want the policy continued that was started by the present Minister of Agriculture. Do they want the P.F.A.A. carried on?

**Premier Douglas:** — Are you rehearsing your Federal election speech?

**Mr. Loptson:** — Do they want the P.F.R.A. continued? Do they want the Canada Farm Loan Board continued? Do they want the Farm Improvement Loans continued? All these are expounded by the present Minister of Agriculture, and I say to you, Mr. Speaker, and I say to the people of Saskatchewan that it is high time they wake up to what might happen in the future. It is high time that they let the people of eastern Canada, who are paying the money that is coming in here, know whether they appreciate that money or whether they don't.

**Premier Douglas:** — It's our own money; it is not eastern Canada's.

**Mr. Loptson:** — It isn't your own money.

**Premier Douglas:** — You bet it is.

**Mr. Loptson:** — Well, will you be satisfied to get your own money back and nothing more? I ask my hon. friend will you be satisfied in your tax agreement to get back just what they collect from Saskatchewan on this agreement?

**Premier Douglas:** — Mr. Speaker, the gentleman has asked me a question – if they are prepared to pay back all that they take out of this province in corporation taxes, succession duties, income tax and excise, and what we are paying through tariffs, we would be very well off I can assure you.

**Mr. Loptson:** — I can assure you that you can certainly get that, because I understand that you are getting a great deal more than what is coming out of Saskatchewan – and that includes veterans' pensions, family allowances and all that. Of course, I know you wouldn't appreciate it anyway.

**Premier Douglas:** — Well, Mr. Speaker, he asked me a question and I answered it.

**Mr. Speaker:** — There have been a great many interruptions.

**Premier Douglas:** — About \$172 million – we would gladly accept it.

**Mr. Loptson:** — Well, anyway, this should be worthwhile. The P.F.A.A. collected \$54 million in the one per cent tax out of Saskatchewan, but they paid into Saskatchewan \$128,698,000. I wonder if the farmers would like to see that thing dropped; and now they have increased the allowance per acre by about 50 per cent without increasing the assessment.

The P.F.R.A. figures are not quite so high. Here they are: Water development – total expenditure in Saskatchewan, \$49,758,000; I suppose

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that these dug-outs and dams that have been dug all over the province are not of much value now, but they certainly were appreciated when they were dug, and the time will come when they will be very much appreciated later on; but that is one of the works of the present Minister of Agriculture. Yes, it can easily be said that if it hadn't been for him, 65 per cent of our farmers would be tenant farmers today, and if the C.C.F. had won the election in 1934, there would be at least 75 per cent of them tenant farmers, because they would have taken over their titles in 1934 and 1935 when everybody was down and out. That was their policy. They were going to give them all a 'use lease' in return for the farmer's titles.

Well, here is something that I think I should read; it is a statement by the Rt. Hon. Mr. Howe:

“The case for payment for wheat on the farm was put by all three parties in identical terms. It is a very simple case.”

I am reading this to substantiate what I have already said. I quote:

“The farmers are urgently in need of money. They should not be denied this money merely because they are unable to deliver their wheat to country elevators. The Government's refusal to buy on the farm was explained chiefly by the Rt. Hon. C.D. Howe, the Minister responsible for wheat marketing. Several prairie Liberals spoke, but they added little to the argument. The case for payment on the farm was simple, direct and powerful. The Government's case for not paying on the farm is complex and difficult. Mr. Howe developed it partly in the debate on the Address, and secondly in the debate, last Friday, on the Bill guaranteeing bank loans to farmers. The fact that, apart from Mr. Howe, little was said during the debate on the Address in Reply to the Opposition, does not mean that the Government is not deeply antagonistic to the payment on farms. It is. There are two main reasons for this: both were touched on by Mr. Howe. There is the constitutional point. The Federal Government's jurisdiction over wheat rests on three things – control of grain elevators, control of railways, control of inter-provincial and international trade. Within the province and outside of grain elevators and boxcars the Federal Government has no control. Wheat on the farms and within the province operations is outside the Federal and within the Provincial jurisdiction. If the Federal Government were to instruct the Wheat Board to pay for wheat on the farms it could not

give first priority to its claim to this wheat. In terms of priority whatever document was signed by the farmers would stand at the end of the line and be subject to provincial kept laws.

“By guaranteeing loans to farmers through the bank the Government can escape from this difficulty. Banking is wholly within the Federal jurisdiction; the terms of the loan can be prescribed by Federal order-in-council and priority given over to other investments. Hence the Federal Government preferred to act through the Bank and the Bank Act.”

**Premier Douglas:** — May I ask what my hon. friend is quoting from?

**Mr. Loptson:** — A speech in the House of Commons.

**Premier Douglas:** — Whose speech?

**Mr. Loptson:** — January 30, 1956.

**Premier Douglas:** — Whose speech?

**Mr. Loptson:** — Mr. Speaker, I am not supporting the Budget.

**Mr. John Thiessen (Shellbrook):** — Mr. Speaker, in rising to say a few words in this Budget Debate, I realize that it is pretty nearly 5:30, and I also realize that, all afternoon, we have been listening to the various things which apparently the Budget does not do for the people of Saskatchewan. We listened to the hon. member who spoke first on municipal boundaries, and municipal affairs and on other things, and he spoke with some authority. I feel that I can possibly spend another half-hour or an hour speaking with the same authority as he does on municipal work, because I have spent the last 27 years of my life as a councillor or reeve, and as municipal secretary and school unit trustee. But I am going to leave that. I am not going to weary the members with another long tirade on municipal work.

There is one thing I would like to cover. One of the speakers said the Government came out with the grid road policy. Actually, the municipalities asked the Government to set up a grid, and then wanted to know how much the Government would pay towards the building of this grid. It was something that the municipalities had never had. The Opposition in the last election came up and said that they would build the grid roads. If they did the same as they did when I was the reeve at

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Aberdeen, when we wanted a highway from Saskatoon to Aberdeen, going on up through to No. 2, they said 'okay'. They came out and set up No. 27 stakes along that road. We in the R.M. built it and we maintained it, and they didn't do a thing towards it. Possibly that is the way they would build a grid system.

Then other Liberal speakers lamented the fact that the people had not given them a chance in this last election; they should have taken a chance on them. Well, sp there are too many of us left in this province who took chances for 30 years in this province, and therefore, they won't get the chance again.

**Premier Douglas:** — Once bitten, twice shy.

**Mr. Thiessen:** — But I want, within a few minutes, Mr. Speaker, to cover the Budget. They asked what has this Government done for the farmers? I am not going to dwell on what has been done for the farmers. I am going to dwell, for a few minutes, on what is being done for the farmers in the 1957-58 Estimates which everyone has on his desk. The financial critic of the Opposition said there was \$35 million of arrears of taxes in this province owned to the municipal bodies. Well, the farmers of this province are not broke because they paid those \$35 million, so it cannot be the policy of the province that broke those farmers. Those \$35 million owned to the municipalities and to the school districts is a \$35-million subsidy to the Federal agricultural policy of this province. It is done by the rural people. Those people who have not paid those taxes have enjoyed the roads, they have enjoyed the open schools, they have enjoyed the maintenance while those taxes are on the books of the municipalities, and, therefore, it is a direct subsidy to the Federal agricultural policy.

Then the second item I have here is \$3,900,000 of a vote to the Municipal Road Authority. That again is a direct subsidy to the rural people of this province. Education you will find in the Estimates — \$22,700,000. (I am just using the rough figures on this) and I have given \$11 million of that to the rural people, or to the farm people of this province. We have a population that is divided possibly on a 50-50 basis, and I have, therefore, given the \$11 million to the rural people.

Item No. 4 that I have is Public Health, and you will see an estimate of \$27 million. Again, feeling that public health is as much in the rural as in any urban, I have given \$13 million of that, as an estimate, to the rural people. Welfare again; we have welfare in the rural field as well as we have in the urban. There is \$14 million of that, as an estimate, to the rural people. Welfare again; we have welfare in the rural field as well as we have in the urban. There is \$14 million, and I have given the rural people \$7 million of that. Then we have an agricultural policy, which the Minister of Agriculture is looking after of \$5 million, and I have given them that. We have half a million to Power, which, if we electrify 7,000 farms, will run about a half-million. Then comes the item of Highways, and we have \$22 million in the highway program. Now I have discussed this with some fellows, and the debate is none of it should be attributed to rural people. In our municipality

of Canwood, I think that one-third of our people are not more than about four miles from a provincial highway.

**Mr. McCarthy (Cannington):** — Pretty lucky.

**Mr. Thiessen:** — I should say one-half. I feel that, in the province as a whole, one-third of the rural population lives within a travelling distance of a highway. One-third of the people use part of a highway to take their grain to market, or to take their livestock to the stock yards. Therefore, I have given them \$7 million of the \$22 million for Highways, attributable to the rural people of this province. For Municipal Affairs there is pretty near \$1 million, and then I have given them, taking the Hospitalization and Education Tax, another million, which makes a rough total of approximately \$85 million, out of a Budget which goes to collect \$116 million, that we can attribute in direct and indirect grants to the rural people of this province out of that revenue Budget. Mr. Speaker, I will wholeheartedly support the Budget.

**Hon. W.S. Lloyd (Minister of Education):** — Mr. Speaker, most of the speakers who have preceded me in this debate have made their remarks, and subsequently indicated that they were or were not going to support the Budget. I should like to be slightly different from that, and to announce to begin with that I am going to support the Budget.

If I had not been of that opinion before I came into the House this afternoon, I should certainly have been of that opinion now, after listening to the arguments of the member from Saltcoats (Mr. Loptson), and the member from Redberry (Mr. Korchinski) I can think of few people who could have argued more conclusively and more effectively for supporting the Budget than did those two members who have spoken this afternoon.

The member for Redberry, just for a minute or two, Mr. Speaker, pointed out that he didn't want to increase the public debt. He doesn't want taxes to increase, but he does want at least one bridge in his constituency, plus a considerable number of other additional services. He had reference to what he called 'waste and extravagance' in the civil service, and chose as his evidence here the Department of Social Welfare. He was (so it seemed) shocked and appalled to find out that, in a Department dealing with the very lives of a great many of our people, it should be considered necessary to have a number of trained people, and a number of trained and experienced people as Branch heads. His arithmetic wasn't particularly good. He pointed out there was spent some \$1,400,000 on administration in order to pay out \$6 million and somehow, out of this he got \$1 necessary to pay out every \$3. I am not quite certain how he arrived at that conclusion. But the important part of what he said, Mr. Speaker, was his attempt to be derisive and to underrate the value and the necessity of having trained staff in the very difficult type of work carried on by the Department of Social Welfare. And I thought that one of the most repulsive (I regret to use the word) statements that has ever been made in this Legislature

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was his reference to those unfortunate young people at the Boys' School, youngsters 10 and 12 years of age, as "criminal types". This, I suggest, is a classic description of the conscience of the person who so termed them, and of the party which he represents.

**Mr. B.L. Korchinski (Redberry):** — Would the hon. Minister be less abusive!

**Hon. Mr. Lloyd:** — Mr. Speaker, I want to have something to say about the . . .

**Mr. Korchinski:** — You are being too abusive.

**Premier Douglas:** — Well, at least he is abusive of people who can stand up and face him; not of some youngster who can't get at him.

**Mr. Speaker:** — Order! Order! I would draw to the hon. Minister's attention that it is very nearly the half-hour . . .

**Hon. Mr. Lloyd:** — I would be pleased to have it called 5.30.

Resuming at 7.30 o'clock p.m.

**Hon. Mr. Lloyd:** — When the House recessed before supper, I was explaining one of at least two reasons that I have for supporting the Budget. The first reason to which I had reference were the remarks this afternoon of the hon. member from Redberry, and the second reason for supporting the Budget are the remarks of the hon. member from Saltcoats (Mr. Lopton) who spoke later in the afternoon. You may recall that he spoke for some three-quarters of an hour in the Budget debate without making any, or perhaps very little, reference to the Budget itself. In reality he made three speeches this afternoon. He first of all made the campaign speech, which he said he had made during the provincial election campaign last year. He secondly made the speech which he has been making every year in this House and outside of it, for a great many years, about Rubbra, Rawluk and the "having-regard-to" clause; and then he thirdly, rehearsed his speech for the Federal election campaign. Having done that he sat down.

It was rather interesting that he reviewed the election promises which he had made on behalf of his party. He seemed rather disappointed that the people didn't believe these particular promises. It was most interesting, I thought, that one of the reasons why he said why people didn't believe them was because of the action of some municipal reeves and secretaries, whom he said, "sold their people down the river". I thought, too, that it was worthwhile noting that presumably he announced the new Liberal policy with regard to power in some of the urban centres. He seemed to be saying that the new Liberal policy was that they would take over the municipally owned generating and distributive systems in the cities of Regina and Saskatoon.

**Mr. Lopton (Saltcoats):** — I said that was one of the possibilities.



**Hon. Mr. Lloyd:**—This is one of the ways in which they were going to pay for rural electrification, and this is one of the things they told the people (so he said) out in the country, not in Regina and Saskatoon, that they would use to pay for rural electrification. I think it might be well for his information to point out that, for 1956, the production price of electricity sold in Saskatoon was .838 cents, the selling price .917 cents, which is, of course, not subsidizing the city of Saskatoon. As the efficiency of the plant at Saskatoon improves with size, that spread will increase.

Surely the most interesting and significant part of his remarks however, were those when he began to talk about the marketing of wheat. He first of all lived up to the expectations which we had been lead to have of him from the remarks of the Minister of Social Welfare the other day, in aligning himself against the Wheat Board. It was not necessary, he said. The Wheat Board was not necessary, and wouldn't have been necessary, except for the remnant of a small group of people like the Minister of Social Welfare, and the people of Saskatchewan hearing that will heave a sigh and say 'many thanks' to the Minister of Social Welfare and others of that particular remnant.

**Mr. Loptson:**— For losing one billion dollars!

**Hon. Mr. Lloyd:**— Quite plainly the member from Saltcoats (I do not know whether he speaks for the Liberal party in this regard; I hope he does not) stated his lack of belief in orderly marketing of our farm produce. He emphasized that what we had been doing had cost the farmers, I didn't hear whether he said \$1 billion of \$1 million.

**Mr. Loptson:**— \$1 billion.

**Hon. Mr. Lloyd:**— \$1 billion: \$1 billion that it cost the farmers in this method of marketing wheat.

**Mr. Loptson:**— Mr. Speaker, I'd like to correct my hon. friend so that he doesn't make any mistakes. It is not \$1 million; it's \$1 billion.

**Hon. Mr. Lloyd:**— Good, that's all the better. This is what the system of orderly marketing, which the Liberals have prided themselves in giving to the country, and which the rest of his colleagues over there will defend, I am sure, has, in his words, cost the farmers of Saskatchewan or of the prairies.

This, of course, is the argument of the Grain Exchange. The hon. member is clearly (and it would be interesting to know whether he speaks for the Liberal party sitting opposite) in favour of speculative marketing. He went on to emphasize that if this continues we will soon be in the same position as we were in the 1930's. He warned the farmers of Saskatchewan against continuing to elect men of the same calibre to run their affairs, as they had during

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the last 30 years, else we would surely end up in depression again. Now, he didn't say to whom he was referring here, when he said "farmers continuing to elect men of the same calibre". He didn't say whether he was referring to the Wheat Pool, or to the Farmers' Union, or to the Liberal Government at Ottawa. He should have made that clear.

Plainly also, he aligned himself again against the Wheat Pool. He said, "The same outfit is dictating to the President of the Wheat Pool", presumably making the President of the Wheat Pool do things which he didn't wish to do, and say things which he didn't wish to say. And that, of course, is not very complimentary, at least to the President of the Wheat Pool. His description of the delegates to the Wheat Pool, who had caused a reversal of a statement there, was that they were a group of "C.C.F. numbskulls". Plainly again, not very complimentary to the delegates of an organization in the entire world.

It seems to me, too, that the only inference that we can draw from his remarks is that not only is he against the Wheat Pool, and against the Wheat Board, but that he is also against democracy, or at least he has no faith in democratic procedures, because this same Wheat Pool boasts (and properly sir, I think) of the democratic delegates control of its policy. And to this the hon. member from Saltcoats objects.

He, you will recall, Mr. Speaker, said that he could quote Mr. Wesson of the Wheat Pool to prove that the Premier's speech had lost us the sale of some considerable quantities of wheat, but when asked to produce the evidence, he said "Well, I will do so in a little while", but failed to do so.

Later on, he said that he could produce another statement of the Premier about something or other. This also he failed to produce. Finally, he got around, as he so frequently does, to blaming the high cost of goods which we have to purchase on labour, and attempting to discredit the idea that high or excessive profits have anything to do with the high cost of the things we have to purchase, and got around to shedding tears for 'big business'. Clearly, Mr. Speaker, we heard this afternoon, two speeches which I don't think could be called Liberal; but I would like to hear the other members sitting opposite say whether or not they are in accord with the sentiments which have been expressed; and these two speeches suggest two very excellent reasons for supporting the Budget.

The member from Cannington (Mr. McCarthy), speaking earlier in the afternoon, and the member for Melville (Mr. Gardiner), speaking earlier in the debate, both tried to explain away the resolution passed recently at the Convention of the Saskatchewan School Trustees. This was a resolution which in effect stated the opinion of the majority of the delegates, that the minimum change in local government organization that was desirable was one to establish

a system of coterminous boundaries. I thought it interesting that both of these members tried to explain this away as being a resolution of no significance, one which you really could not believe. I thought it particularly significant that the member from Melville, in speaking of this, said, of course it was a Convention made up largely of school unit trustees. Now even if that were true, I fail to see why a vote of a group of people who happen to be school unit board members should be taken as meaning something different from a group of people who happen not to be School unit trustees. But this again is part of the rather insidious campaign, may I say, sir, which some members of the Liberal opposition have carried on against school units.

I think it should be pointed out that the delegates at this Convention were certainly not, in the majority, members of unit boards. In each larger school unit, the unit board has the right to select not more than three delegates to the convention. The convention of the local trustees in that unit has the right to select two more delegates. Each sub-unit ratepayers' meeting has the right to select one delegate, making a total of five or six or seven, depending upon how many delegates of how many sub-units there are. So there could be a minimum of 10 delegates from a School unit, not more than three of whom could be members of the unit board. In addition to that, of course, all of the non-unit districts in the province have the right to have representation at the Convention, and many do.

I want to turn from that, Mr. Speaker, to some description of some of the programs in agencies for which I have some responsibility of supervision. Because of some of the remarks from members of the Official Opposition which would lead us to believe otherwise, I would like to say that the Saskatchewan Government and the Saskatchewan people have every reason to be proud of the persons who make up that body which we usually call our civil Service, or our Public Service. It contains a great many loyal, able, dedicated men and women. In this connection, I should like to refer to the House, if they haven't already known of the fact, that during the year ending in September of last year, the Deputy Minister of Education from Saskatchewan served as President of the Canadian Educational Association, an association of educationalists from all provinces and most of the educational institutions of Canada. May I assure you that he served in that capacity with dignity and distinction, and that I had many complimentary remarks on behalf of his conduct in that particular office. I am pleased also to indicate to the House that he has received an invitation to represent Canada, later this year, at an international conference on Education.

One of the agencies to which I wish to make brief reference is the Archives Board. The work of the Archives Board is becoming of increasing importance as our province grows older. Members have had some opportunity to see some of the work undertaken by the Archives Board. I think, for example, that all have received the Directory of Members of Parliament and Federal elections for the North-West Territories and Saskatchewan. Previous to this, a similar work was done with regard to members of the Saskatchewan Legislature. Those members who have been elected for the first time, this year, may not have received this. I have asked that they be distributed and to other members who haven't received them, we would be pleased to make a copy available.

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I should like also to refer to the very fine magazine which is put out entitled 's History'. Unfortunately, Mr. Speaker, I can't offer a commission to anybody who sells subscriptions to 'Saskatchewan History', but I do wish to ask the members if they would draw it to the attention of people in their constituencies from time to time. I think there are many people who would be gratified to know of it, and gratified to pay the 50 cents or the dollar which is required in order to have a subscription to it.

In addition to publications of that kind, we are, of course, interested in the acquisition of records of various kinds. We have been able to obtain the private papers of many of the important personages in the province. Just this year, we have been able to obtain the old homestead files, which for many years have been in Ottawa. The Archives' main depository is now very effectively housed in the Murray Memorial Library on the University campus at Saskatoon. I would like to extend an invitation to any of the members who happen to be in Saskatoon to go through our Archives quarters, make themselves known and become familiar with the work that we are carrying on there.

It is with regret that, in speaking of the Archives Board, I have to announce to the Legislature that we have received the resignation of the Provincial Archivist, Dr. Lewis Thomas. Dr. Thomas is another one of those persons who have served the people of Saskatchewan well for not a long time, but for a reasonable period of time now. He was first associated with the Archives Board as Assistant Archivist. He leaves us to undertake an academic career in teaching and, this fall, will join the staff at Regina College. In making the announcement, Mr. Speaker, I feel somewhat like the father of the bride is supposed to feel when he says, "Well, I haven't lost a daughter; I have gained a son." We are very happy that Dr. Thomas is remaining in the province. He will continue to be interested in archives, I am sure. He will continue to be interest in his research into the early history of this part of Canada. In this regard, I might mention that during the year Dr. Thomas had published a very excellent book called the 'Struggle for Responsible Government in the North-West Territories'. I am sure that all of us would want to wish him well in his new career in university life.

The second agency to which I want to refer is the Provincial library, and here again, I am pleased to mention to the Legislature that the Provincial Librarian, Miss Donaldson, this year holds the office of President of the Canadian Library Association. The Provincial Libraries are now, for the first time in many years at least, all housed under one roof. Not so many months ago, we were able to move into quarters which had been provided for us in the new Administration Building. Again, I would like to invite any of the members to call on the staff in those quarters to make themselves familiar with the services there are for the use of themselves and their constituents.

The Annual Report on libraries points out that, in the Public Information Section of the Provincial Libraries, some 65,000 books were circulated during 1956. This was an increase of 4,000 from the year previous. In addition to that, the members of the staff answered approximately 1,000 reference

questions of people who write in asking for almost every imaginable kind of information. The Travelling Libraries continued to serve a very useful place in remoter parts of the province, and some 500 boxes of books were distributed by the Travelling Libraries Branch.

While public Information library service and the travelling library service are very excellent indeed in their place, they can never take the place of the on-the-spot library service, and so we are extremely interested in encouraging the organization of community libraries or public libraries and giving them assistance as we can. The problem of many of the small libraries is, of course, a very considerable one. They frequently do not have adequate financial backing; for a considerable part, their staff must be made up of part-time and relatively untrained persons, and our field staff tries to give a service in these cases by visits as regularly as time will permit. From time to time we hold workshops to which those who are interested in these libraries are invited, and we do send out, regularly, circulars containing information about books and library practices.

It is our conviction that rural Saskatchewan, and those san citizens who live in our smaller urban centres, will only be adequately serviced with libraries when we have been able to develop that type of organization which we call Regional Libraries. We have only one of these in the province to date. A regional library services its members in general in three ways. There is a central book collection; there are depots in various parts of the region, and, in the case of regional library we have operating, a bookmobile takes books to various parts of the region as well. The problem of organization of regional libraries is, of course, that, in order to have one established, we must get agreement with 15 or 20 or 30 or 40 separate individual municipalities, and this is indeed a difficult task. The Budget makes available increased grants for this purpose, and I am pleased to say that there is a very considerable interest in possible organization in several other areas of the province.

Thirdly, I should like to make mention of the activities of the Saskatchewan Research Council, which has increased quite considerably since last we met in this Legislature. The year 1956-57 saw the amalgamation of the work formerly carried on by the Mineral Resources Research Lab. in Regina, and work carried on by the Research Council in laboratories at the University of Saskatoon. The same year saw the appointment, for the first time, of a full-time Director. For a number of years now, we have been fortunate in having the full-time services of Dr. Thorvaldson on a part-time basis, and all of us are very appreciative of the work which he did. During the year we appointed to the position of Director of Research Council, Dr. T.E. Warren. Dr. Warren at one time was employed by the Federal Government in the Department of Mines. His particular interest at that time was fuels. More recently, immediately before coming to us, he was the Director of Research of a large industrial corporation interested in the production of cyanamide and related products at Niagara Falls.

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During the year also, we expanded the membership of the Council to include persons outside of the University staff and the staff of the Government. We are gratified that Dr. Thorvaldson agreed to continue as member of the Council. We have also added Mr. Longworthy of Imperial Oil in Regina, and Mr. Gibbings, who is a director of the Wheat Pool.

The same year has seen plans for a new building completed, and the excavation begun. The final tenders for the new building will be opened on March 28. We expect it to be far enough along so that work can be completed during next winter, and that we can move in during the spring of 1958. It is a little early as yet, to invite members of the Legislature to an official opening, but I expect to be able to do that at least at the time of the Session, next year. Until that time our work will continue in the laboratories in Regina and in various parts of the University.

The Saskatchewan Research Council has three sources of revenue. We have, first of all, a Government grant which this year will amount to some \$158,000. If members have had an opportunity to peruse the Report, they will see that we are undertaking research in a number of fields related to the development of Saskatchewan's economy. They will note research with regard to clay. There is some very interesting and some hopeful work with regard to the beneficiation of uranium ores. There is an interesting project dealing with soil mechanics, which is useful in the construction industry, both for buildings and of highways. There is work going on with regard to the use of lignite and with regard to wood utilization. We have done some work for potash companies interested in developing in Saskatchewan.

A second source of revenue is agreements which we have with organizations to undertake specific kinds of research. We have now for some time been working, supported by Saskatchewan Minerals, with regard to the sodium sulphate industry. We expect to be able to achieve some money from the Saskatchewan Power Corporation to undertake some joint work with regard to fuels, and we have had some very interesting inquiries within the last week from mining companies, exploring the possibility of us undertaking some research for them.

The third source of revenue is a grant from the National Research Council of Canada. Up until three or four years ago, the National Research Council retained in Saskatchewan an officer known as a Technical Information Officer. They were anxious that the Provincial Research Council undertake this responsibility, and they were willing to give us a grant if we would agree to so undertake it. We agreed, and they agreed to give us, and have continued to give us, a grant of \$10,000 for this purpose.

Just a word about the procedure of the Council, Mr. Speaker, because this is getting to be an increasingly important body. The Council itself meets approximately four times a year (or more frequently, if necessary) to deal with general policy. In between those meetings we have an executive committee which takes care of those types of executive decisions which need to be made. We also have a technical committee, which is made up of the University members on

the Council, with the addition of Mr. Hogg, the Deputy Minister of Mineral Resources. The projects which we undertake are, in general, those which are suggested by various Government agencies, and those which are suggested by staff at the University, or those which are requested by private industry. Before any project is undertaken, it is reviewed by the Technical Committee. We are fortunate indeed in having as Chairman of the Technical committee, Dr. Spinks, who is head of the Chemistry Department, and Dean of Graduate Studies at the University. Finally, of course, they must be approved by the Council.

When a project is accepted, we then establish for each project a special working supervisory committee made up of those people who have knowledge related to the specific field of the project, and here again we are fortunate in having the services of members of the University staff.

The annual report indicates something of the scope of the Technical Information Service. We originally wanted Mr. Evans, our technical information officer, to visit as many of the small industries and manufacturing establishments in Saskatchewan as possible. He has been able to make personal contact with many of them, letting them know of the services which we have to offer.

During 1956, the number of inquiries with regard to problems which these industries have, has increased from 141 to 265. Attempts are being made to keep in contact with our industries, and to extend the service by informing the industries by circular as to the services which we have available. I may say that we do not presume to be able to answer ourselves – or the staff does not presume (don't presume to be able to answer any of them); the staff does not presume to be able to answer the questions which an industry may raise. What we frequently can do is make available information obtainable from the National Research Council, or from other sources or to put the person in touch with someone who can give him the technical or scientific information which he is interested in, and which will have a beneficial effect on his own industry. This Research Council, Mr. Speaker, has been a very fine experience of University-Government co-operation. It is being extended now to include the wider field of industry in Saskatchewan, and we are expecting it to be a very fruitful undertaking indeed.

I am not going to attempt to report in great detail on the activities of the Department of Education. These are outlined in considerable detail in the Annual Report. But I do want to have reference to several programs which have been extremely active during the year, first of all the building program, which has been undertaken in the province. During the school year 1955-56, 374 classrooms were completed. In addition to these classrooms, there were frequently, shops, laboratories, libraries, and in some cases auditoriums, gymnasiums and so on; but of just classrooms, 374 is, you will note, more than one for every day of the year. In addition, some 67 classrooms were moved, renovated and put back into service, and 53 teacherages were constructed, either new construction, or constructed from existing schools.

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In the year 1956-57, we estimate that there will be completed 367 classrooms; not quite as many as last year, but still more than one for every day in the year. In addition there will be 69 schools moved, renovated, reclaimed and put back into service, and some 72 teacherages built. This program of building has been assisted, and will continue to be assisted, by capital grants. These are distributed on an equalization basis. It is assisted also by virtue of the decision of the Provincial Government to purchase a certain portion, at least, of debentures as needed. During the three years ending December 31, 1955, the province actually purchased 21.6 per cent of all school debentures. This matter of building is going to be an increasing problem facing our school authorities. As I mentioned in a previous debate, it is a problem because of the high cost of building, and particularly because of the high cost of money. And looking at the staggering needs of Canada for better housing and new housing for education during the next 10 years, it is almost impossible to feel that this can be accomplished without a considerable degree of assistance from the Federal Government.

The second program to which I want to have reference is the program of conveyance – organized, regular conveyance, which is increasing also, very rapidly in the province, a program which, if it were possible to provide schools at the central points more quickly, and possible to provide the roads necessary to convey the youngsters, would grow even more rapidly, I am sure. My reference here is not to those arrangements which exist in many of our districts in which a parent, or some parents, convey a group of youngsters just to the neighbouring district. My reference is to the regularized regrouping of students through the use of school buses.

There are at the present time some 859 routes operating in the province, serving 1,400 districts. Along these routes travel 18,000 pupils, including 4,600 in high school grades. This figure has doubled since the year 1954. It is our estimate that, as a result of this regrouping, we have saved the services of almost 600 teachers. The problems accompanying an extension of this program are, of course, many. There is the problem of roads – the planning of roads and the building of roads. There is the capital cost of buses and of buildings at the centres. There is the problem, which we always have with us of our terrain. Last but by no means least, there is the problem of adequate and proper planning, and the problem of consent. Careful planning is necessary; careful planning carried out with the participation of local boards, of ratepayers and of parents.

Once these difficulties are overcome, this is an operation which can be productive educationally, which need not be more expensive, but may well save money, and which can release teachers for service with larger numbers of pupils. This is one way, and in my opinion the most effective way, of providing high school opportunities for rural youth. It is one of the most effective ways of retaining students in school, and of retaining teachers in service.



Strange as it may seem, Mr. Speaker, and contrary to what we might expect, the largest conveyance programs are not necessarily in the southern part of the province, in the prairie portion (if you will), in the area in which the population is most scattered. It is of interest to note that the unit conveying the largest number of pupils is the Prince Albert unit. In that unit they convey some 827 students, 267 of them being high school students. They have developed in that area four regional rural schools. The unit carrying the second largest number of students is the Nipawin unit, in which 772 students, 228 of them being high school, are conveyed. Thirdly, we do get down to the southern part of the province, the units of Assiniboia, which conveys 755, 148 of them being high school students.

I turn now to consideration of school grants. To get the total amount of money which we will distribute by way of grants to schools, it is necessary to consider three votes in the Estimates. There is, first of all, the main vote which is called School Grants; there is, secondly, a vote called 'Building and Equipment' under the Dominion-Provincial Agreement', and thirdly, one called 'Administration of Education in Northern Saskatchewan', which, with the exception of administration costs, is all school grants.

School grants in 1956-57 (the vote called school grants), amounted to \$12,200,000. In 1957-58, the estimate is \$16,600,000. Buildings and equipment under the Dominion-Provincial agreement are estimated at \$50,000 for each of those years, although here I must say that I, as yet, do not have any firm undertaking from the Federal Government with regard to the future of the Vocational Schools Agreement. Making some deduction from the amount provided for education in northern Saskatchewan, we can take for 1956-57, for this purpose \$225,000, and for 1957-58, \$313,000. If we total these, we get the total for last year of \$12,400,000 roughly; and for this coming year, \$16,994,000, or, for all intents and purposes, \$17 million.

In addition to that, the Supplementary Estimates indicate that there will be an additional \$1 million for school grants required for the year 1956-57. In other words, the total spent for 1956-57 was \$13,487,000. You will note that the total estimated for next year is \$4½ million over last year's estimates. It is interesting to note that this increase in itself is approximately the same amount as was the total budget for education in 1944-45. This increase in itself is more than the total expenditure for education by the province in 1943-44, \$4½ million over last year's estimate; \$3½ million over last year's actual expenditure.

There are some who have suggested that, because of the supplementary required to meet our 1956 grants, school boards are not getting the full amount anticipated as a result of the Government announcement at the Provincial-Local Government conference, December last. The increase that was referred to at that time was in the amount of \$4.4 million over the estimated amount for 1956. That was what we had anticipated spending when the Budget was passed last year. That was what school boards anticipated they would receive, when they made up their budgets last year. To those who would suggest that boards are going to get less because of this \$1 million supplementary, let me look at it this way. Had

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there been no supplementary estimates for this year, then the total for last year and this year would have been \$29.4 million. Because there is a supplementary, the total is \$30.4 million. So quite clearly, the school districts do not lose, but gain, because of that \$1 million supplementary.

I must ask the House to bear with me while I make some description of the changes which we are proposing in the school grant formula. Some of my colleagues have heard this before, I can see. I did make some reference to this when speaking to the Trustees' Convention a week ago or two weeks ago. I pointed out at that time, however, that the distribution was not entirely confirmed or final, that all that I could give them was the minimum which they might receive. I can now, however, make an official statement as to the way in which the additional grants will be distributed.

To begin with, we pay, as members will know, basic grants of two kinds – a basic per pupil grant, and a basic per teacher per day grant. The per pupil grant remains unchanged. The per teacher per day grant (this is applicable to all districts in the province) will be increased by \$300 per teacher. That means that the grant for an elementary room – an elementary teacher, if you like – will be increased from \$600 to \$900. The grant for an academic high school room will be increased from \$800 to \$1,100, and the grant for a vocational high school room from a maximum of \$1,150 (it may be something less than \$1,150) to a maximum of \$1,450 – again perhaps something less than \$1,450.

Now if we could distribute all of our money in this way, it would be extremely simple and would save both you and me quite a lot of time. But we must have an equalization feature in our grant system, and I turn now to some description of the equalization portion of our grant. If, Mr. Speaker, I were approaching this as a dentist, I would assure you that this won't hurt much but it might take a little time. If I were approaching it from the point of view of a parent, I would say and that this hurts me worse than it does you; but it must be done.

Let me divide the groups of which I shall speak into two; first of all, those areas operating less than 35 classrooms. Districts of this kind employ approximately 850 teachers in the province. Let me divide this group again into two parts – first of all, rural schools, village schools and consolidated schools. Our equalization grant for this group now is based on this principle. We simply take the difference between the assessment per classroom and \$130,000 and multiply it by 15 mills, with a maximum of \$1,050 per room. (15 mills times \$130,000 minus the average classroom assessment with a maximum of \$1,050). Then for towns schools of the same type – 15 mills times (in this case) \$125,000, minus the average assessment per classroom, with a maximum of \$750 per room. We propose for this group operating less than 35 classrooms, an increase in the ceiling of \$5,000. That is, instead of subtracting the average assessment per classroom from \$130,000 in rural, village and consolidated schools, we will subtract it from \$135,000. Instead of subtracting from

\$125,000 in towns, we will subtract from \$130,000. This provides an increase in the equalization grants to all of the districts, that were receiving an equalization grant, of \$75.00 per room. It also brings some additional districts with the effect of the equalization grants.

Secondly, our major group is included in those areas which operate 35 and more classrooms. This will be all school units, all the cities and all of the towns in which there are operated 35 or more classrooms. I use the word "area" because in many of these towns and cities there will be three districts – a public school district for elementary purposes, a separate school district for elementary purposes, and a secondary school district. We take the total within the town or the city, as the case may be, and "pool" the situation. These area of 35 and more which in every case operate both elementary and high school rooms, are large enough to effect within themselves a considerable degree of equalization. employed in these areas are some 7,150 classrooms plus an extensive conveyance system. The conveyance costs in these areas approximate the cost of operating another 900 classrooms; so, in effect, the load in this group is over 8,000 classrooms.

The purpose of an equalization formula is to determine a grant which is related to the ability of the district contained and related to the load it has to carry. It is to determine a grant which will leave an equitable residual cost to be carried by local taxes. In trying to arrive at such a formula, we run into a lot of very difficult problems, a few of which I want to mention.

There is, first of all, a problem in regard to assessments. The question of the proper relationship for educational purposes of land of different types. One can find much discussion these days as to whether or not land which is highly productive for purposes of raising wheat and which is, generally speaking, highly assessed, is actually after all much more valuable than land which is useful for mixed farming and not so highly assessed. But even more difficult is the question of the proper relationship between urban assessments and rural assessments, having in mind particularly the greater difficulties and costs of providing comparable services in rural areas.

A second problem is that revenue of a non-tax type is becoming very important in some districts. I have reference here to fees collected from students from outside districts. Somehow this must be equated as assessment.

\ Thirdly, there is the relationship between high school and elementary school costs. High schools generally require laboratories and other services which elementary schools do not. High schools generally offer certain optional subjects and so you have a larger number of teachers, and whether they are worth it or not, high school teachers are, generally speaking, paid more than elementary teachers, because, of course, they have more advanced training, generally speaking.

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A fourth problem is the relationship between conveyance costs and other costs associated with educating students who have to go away from home, and classrooms costs. And finally, there is the problem of deciding how large a percentage should be carried by grant, or how small a percentage should be carried by grant.

Our proposal is this. We propose to work within a general framework of grants which will provide not less than 25 per cent and not more than 75 per cent of a certain level of operating costs. The operating costs which we choose may, or may not, be the actual costs. If a basic grant provides these costs, then there is no equalization grant. We assume the maximum operating costs for purposes of our formula to be – for an elementary room \$3,500, for a high school room, \$4,000. In the units, we will assume actual costs for conveyance and associated costs. This will include the costs of operating or contracting for a bus, the maintenance of the bus, board-and-room allowance if such are paid, fees paid to other districts, residual dormitory costs.

We must determine also how to determine the proper percentage of these costs to be paid to each district, and to do this we must look at the financial basis of each, and we must look at the load of each. To determine the financial basis, we propose to take the actual rural assessment plus the equalized urban assessment at 135 per cent, and the fees we take into consideration we relate to assessment by dividing the fees by the mill rate. In other words, if a district received \$40,000 of fees from another district and if the mill rate were 40, we divide \$40,000 by 40 mills and we get a million dollars of assessment. That is, getting this revenue from the fees of this amount, is comparable to the effect of having another million dollars of assessment on which to tax.

The question that can immediately be raised by some members, I am sure, is why we count urban assessment at 135 per cent rather than at just 100 per cent, as we count rural assessment. I would admit that I would be very hard put to explain just why 135 is the magic number, but there are a number of reasons, I submit, why there should be a differential. Some of those I will state.

First of all, it is possible to have a better utilization of classrooms and teachers in urban centres. For example, the average enrolment in rural schools in our units is 17. The average enrolment in one unit, even after considerable conveyance costs, is 11. On the other hand, in our urban centres one will seldom find rooms in which the attendance is less than 25 or 30 or 35. If it were possible in our units to achieve an enrolment in our rural schools of 25, those units could operate with 900 fewer teachers and 900 fewer classrooms. I think it is plain, because of the conditions that exist in Saskatchewan, the same level of service costs less in urban areas than it does in rural areas.

Secondly, let us look at the average per capita levy for school purposes. I use here figures for the year 1954 from the Department of Municipal Affairs' report. The average per capital levy in cities for that year was \$32 for

school purposes; in rural municipalities it was 437. It is seen that even though the cities had a higher mill rate, even though they were able to offer a more comprehensive service, they were still able to maintain a lower per capital levy.

Thirdly, I should like to look at the actual average operating expenditure per pupil. When this figure was \$185 in all of the cities in the province, in the units it was \$203. We must bear in mind that this includes a considerable urban population in the units, but even so, it was higher than in the cities. Also it is a fact that urban districts, probably because of the fact that they are within one municipality, can borrow money at a lower interest rate than can rural areas. It seems then that the investors, rightly or wrongly, give urban assessment a preference insofar as a comparison with rural assessment is concerned.

And lastly, Mr. Speaker, I could have argued for this differential entirely on the basis of tradition in Saskatchewan, and falling back on tradition is not always a poor argument. When the school grants in Saskatchewan in our larger urban centres were 90 cents a day, about 10 years ago, they were at the same time in rural districts, with the same assessment, or better assessment, \$1.50 per day.

Secondly, equalization grants, when they were originally introduced, were introduced for rural and village schools only.

Thirdly, when equalization grants were extended some years ago to include towns and cities, there was always a differential between the two. So, to go back to the formula, to estimate the financial basis of the area, we take the rural assessment plus the urban assessment at 135 per cent, plus the fees divided by mill rate.

I regret to inform you, Mr. Speaker, I am only half finished, because we must calculate also the load to be considered and this is simpler. We take the elementary teachers, we add to that the high school teachers, multiplied by 1.15, since high school teachers cost more. And thirdly, we take the conveyance and related costs which I mentioned, and divide it by 3,800. We chose 3,800 because that figure approximates an average operating cost of classrooms in our units, not counting capital costs or expenditures for capital out of revenue. If we had a unit in which this conveyance program, this payment of fees and this payment of board-and-room allowances cost \$38,000, we divide \$30,000 by 3,800 and get 10. We will say then that this is the equivalent of operating 10 classrooms. So we add elementary teachers to high school teachers times 1.15, to the conveyance and related costs divided by 3,800. Then we simply divide the financial basis (which we obtained previously) by the load, and we get an equivalent assessment. The members of the Legislature will quickly and readily admit, I am sure, Mr. Speaker, that this gives us a way in which we can rank all these districts in terms of their ability to pay for their particular program. On this, we can determine a percentage of the assumed costs which will give us our grants.

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May I say a few words about the effect of this distribution. I have already said that the minimum increase will be 4300 per teacher. Since there are approximately 8,000 teachers in the province (not quite, but there may be 8,000 by the time school opens this fall) that will cost in a year \$2,400,000. If you break it down in terms of averages, then the average per teacher equivalent in the groups with 35 rooms and more, and the groups of less than 35, in each case it works out to about \$365. I should say a word about that teacher equivalent. It is the sum of the teachers employed plus the conveyance costs divided by 3,800 – that is related to the cost of employing a teacher.

If we want to look at the long-term increases, I mentioned a minute ago that for our towns and our large city schools, about 10 years ago, the grant to the elementary classrooms was a minimum of \$180 a year. There was no equalization grant. There was no building grant at that time. Today for these same school districts which then received \$180 a year, the minimum grant will be \$900. In the cities, for example, Saskatoon, Regina and Mr. Speaker., their elementary school grant increase in a period of about ten years has been from \$180 a year to \$900 a year (or five times as much) plus whatever their pupil grant will provide, and plus, in the cases of cities like Moose Jaw and Saskatoon, something additional by way of equalization grant. The high school grant has increased from \$700 a few years ago to \$1,100 this year if it is an academic classroom, up to \$1,450 if it is a vocational classroom plus the equalization grant if it is earned. These increases are effective January 1, 1957, and are, of course, in effect for the whole year. The big increase in the cost of school districts will be the increase in teachers' salaries. This increase will not, however, take effect until the fall term, and will be payable then this year for only four-tenths of the year. The boards have the new rate for the full year, and the largest item of expense for only four months of 1957. It is hoped, too, that we will be able to make reasonably large payments on our grant bill to the districts earlier. This should have the effect of saving some interest charges in those cases where bank borrowing is necessary.

Maybe we can look at the effect in terms of the mill rate that the areas will have to levy in order to raise the balance of the cost of this program of \$3,500 for elementary rooms and \$4,000 for high school rooms. This mill rate which units will have to levy in order to provide this program will vary from 11 mills to 19 mills; in the urban areas outside of the unit, from 17 mills to 21 mills. That is, the lowest assessed units in the province, by levying 19 mills on assessment will have an amount of money which will meet all its conveyance costs, which will meet the operating costs of an elementary classroom at \$3,500 and the operating costs of a high school classroom at \$4,000. The city with the least favourable assessment will, by levying 21 mills, have sufficient money to pay its bills at the rate of \$3,500 for an elementary teacher and \$4,000 for high school teacher. It is noted that this does not equalize entirely, but there is a very considerable degree of equalization in it. The minimum grant payable, then, to any classroom will be \$900 per teacher, plus

the per pupil grant, plus the capital grant if such is earned. the maximum will be something over \$2,500 per teacher equivalent, plus capital grants if earned.

If I may use as a reference the unit with the least favourable assessment in the province, namely Meadow Lake, this operating grant is worth 56 mills of taxation to the people. In addition to that, if they had a building program, they would receive a capital grant certainly over 50 per cent and probably up to 60 to 70 per cent of the cost of that program.

Before asking to adjourn the debate this evening, Mr. Speaker, I want to have reference to some of the remarks made by the hon. member for Maple Creek when he made his official address on behalf of the Opposition concerning the budget. You will recall that the hon. member detailed the situation in the province with the regard to teacher shortage. His figures were quite accurate, I know, Mr. Speaker, because just a week or two before I had placed them all on the records of the House myself during the Throne speech debate, and so I cannot quarrel with his figures. However, you may remember that, after talking about the dreadful state of education in the province, he summed up and in his most dramatic form said, "And while this was going on, what was the Minister of Education doing? The Minister of Education sits and contemplates the philosophy of John Dewey".

Well, I rather envy the picture which the member drew for me. To sit in an easy chair with a copy of Dewey's "Democracy and Education" in my hand, the whole world shut out – it is inviting in several ways. It is comfortable; and after having read Dewey for a while I know I would go to sleep and everybody would be happy. Added to this, we were informed by the member from Wilkie, when he spoke, that Nero fiddled while Rome burned. It seems to me that, in the eyes of the member for Maple Creek, there stands before you this evening a modern C.C.F. Nero: one who, while schools close and little children suffer, sits and fiddles with his Dewey. I admit there is some 'burning' in the picture. The burning, Mr. Speaker, is the burning indignation of the Liberal party, burning indignation because in four successive elections people have refused to believe their accusations against this movement and this party; burning indignation because in four successive elections people have refused to accept the Liberal party as worthy of the right to govern. That there is proof of their burning, I think, Mr. Speaker, is that there is smoke. We saw it, this afternoon, from the bench in which sits the member for Saltcoats – smoke being a mixture of hot air and soot, both of which he supplied.

If the reference to Dewey was a deliberate and conscious one on the part of the member from Maple Creek, may I submit that it was a very significant reference and ought not to be overlooked. I can readily understand that Liberals, or so-called Liberals at least, could wish that the books of John Dewey had never been written and never been read. That is because of the fact

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that Dewey's philosophy, both social and educational, was a strong progressive force and remains a strong progressive force today. Dewey was one who believed that the ideal of growth for each and every person was best realized in a co-operative democratic society. He was one who believed that democracy requires the free and full participation of all individuals and the free and full interplay between groups as equals. He believed that schools should be guided by research. He believed that schoolwork should be related to life. He believed that the school should prepare people to analyze and, if desirable, to challenge the status quo. The member for Maple Creek and some of his associates would, I am sure, prefer otherwise, and prefer that our schools not be so directed. As I say, if that reference was a deliberate one, then it is one further proof of the deterioration of a once great movement called the Liberal movement.

Mr. Speaker, I have spoken at some length this evening. I want to take some time tomorrow to tell just what really did happen in this province, education-wise and otherwise, while some of us on this side of the House fiddled and the Liberals burned, and I would ask leave to adjourn the debate.

**Mr. L.P. Coderre (Gravelbourg):** — Mr. Speaker, I was wondering whether the hon. Minister would permit a question, or would you make available to us the formula which you have in regard to school grants? I'll just put it that way.

**Hon. Mr. Lloyd:** — I appreciate the question and I will try to make available, before too long, the formula written out. I am not sure that it is going to help you too much, but I will make it available, in regard to both the Larger Units Act and the Grants Act.

(Debate adjourned)

### **ALLOWANCE FOR BLIND CANADIANS**

Moved by Mrs. Cooper, seconded by Mr. Korchinski:

“That this Assembly, through the appropriate channels, requests the Government of Canada to extend to all blind Canadians over the age of 18 years a specific allowance, free from means test, to compensate for guiding and other extra expenses incurred by reason of their blindness.”



**Mrs. J.E. Cooper (Regina City):** — I will speak very briefly on the resolution I am about to move, because I feel it is a very simple resolution and is self-explanatory, and the reason for this resolution is also self-evident. What we are asking here is that this Assembly lend its support to the request of the Canadian National Institute for the Blind and of the blind organization, the Amicus Club, that a specific allowance, free from a means test, for all those blind people 18 years of age and over, be granted in order to compensate for guidance and other expenses incurred by reason of blindness.

You will notice, Mr. Speaker, that in this resolution there is no specific amount stated. I have discussed this matter with the officials of the Canadian National Institute for the Blind, and they state that they prefer that no specific amount be suggested, because they feel that if the Federal Government will give favourable consideration to this resolution, or to implementing this resolution, the officials of the Canadian National Institute for the Blind, together with the proper governmental officials, can readily work out what would be a fair amount to allow as a specific allowance for additional expenses for blind people.

If this request of the Canadian National Institute for the Blind were granted it is not going to amount to a very large expenditure in terms of a national budget. It is a little difficult to give absolutely accurate figures as to the number of blind persons in Canada, and that is for two reasons. In the first place there are differing definitions of blindness, and secondly, not all blind people are at present registered. As to the definition of blindness, the definition that is used by the Canadian National Institute for the Blind, for a blind person, is a person with less than 10 per cent vision in the better eye, after correction; and I believe that this is the definition that is in general use when we are speaking of blind people. However, the Canadian National Institute for the Blind states that there are to their knowledge 21,000 blind people registered in Canada, and in Saskatchewan as of April 1, 1956, there were registered by the Canadian National Institute for the Blind 1,045 blind people; but it is to be noted that only about one-third of these blind people are able to get a pension because of the means test. The allowable income under the means test for a single blind person is \$960, and that, of course, included the pension which means that if a blind person earns \$40 a month or more, he is not eligible for a pension. In the case of a married couple where there is blindness, I believe \$1,560 is the allowance income, which means that if there is an income of more than \$90 a month coming into the family, then they are not eligible for the pension.

It is easy to see that, if a blind person has any kind of steady employment at all, he will not be eligible for pension. Unfortunately, in the case of blind people, because of their blindness, very few people who are employed can earn more than a very minimum salary. You don't find many in the high-income group, very few with moderate incomes, and

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of them, if they are employed at all, are in the low-income group. Of course this situation is further complicated for blind people, because of the fact that they do have additional expenses that the normal person, you and I, do not have.

In talking over with Mr. Purse of the Canadian National Institute for the Blind what some of these additional expenses were, you will notice that, in particular, they refer to guidance. Blind persons, if they are employed, must have someone to take them back and forth to work. I know sometimes a member of the family is able to do that, but this is not always the case; and very often, if the wife is the person who is doing the guiding, and there are children at home, she has to employ someone to stay with the children at home while she is taking the blind person to and from work. So you can see that this guidance is expensive. The blind people haven't enough money to pay a salary for this sort of thing; but they feel that, if they are going to ask someone to take on a steady job of this kind, they must, for their own sake and for the sake of the person that is taking them, give them at least some compensation for guidance. And then, of course, if a blind person is going to have any social life at all, they are going to have to have someone go with them when they go out. That means if a husband and wife go out together, one of whom is blind, and if there are any children in the family, there is additional expense for someone to stay with the children, and that can amount to a considerable amount.

Then, if the wife in the household is blind, it doesn't take much imagination to realize the additional expenses that she is going to have, because it is impossible for her to take on all the household duties, the average wife can take on. Ironing and washing are two good examples. It is amazing to me how many of these blind wives can carry on the average household task, and I think a tremendous amount of credit goes to these women for their persistence, and the ability that they show in carrying on tasks that I, certainly, would not want to try to carry on if I did not have my sight. But, in spite of the very best they can do, there are many household tasks which, of course, they can't accomplish, and of course that means hiring help, and again quite a considerable expense.

The Canadian National Institute for the Blind feel that, if such an additional allowance were provided, it would mean an incentive to blind people to seek employment. they feel that, where a blind person can be employed, even if it is only for part-time employment, it is very good for them, both physically and mentally. But it is very discouraging if they have to pay these additional expenses, and then get disqualified on account of a means test. As a matter of fact, what the blind people really want is to have pensions for blind people without a means test, but they have asked for this of the Federal Government many times, and haven't received it. This is sort of a compromise suggestion on their part, and they do feel that it would encourage blind people to seek employment, and if they got even enough to pay the additional expenses that they must have, because they are employed, it would be a very find and a very beneficial thing. And so, Mr. Speaker, I would not like to move, seconded by Mr. Korchinski, the resolution standing under my name in the Order Paper.

**Mr. B.L. Korchinski (Redberry):** — Mr. Speaker, there isn't very much that I can add to what has been said by the hon. member from Regina City (Mrs. Cooper).

We have been interviewed by representatives of this Association. They asked us to try to help them get this Legislation passed by the Federal Government, so that these people who are blind would be able to get pensions without a means test. I may say that, perhaps it would have been more effective if we had included something about the Provincial Government, that we would be willing to go along in some small way to help this matter, so that these people would really get some help, because if we just ask the Federal Government, they might turn around and say, "Well, what are you doing about it?" I don't know exactly whose responsibility it is, but I am sure that the two Governments co-operating would arrive at a solution to this problem. I don't think that there is anybody in this House that would begrudge any help to these poor people who have lost their sight — they have their health — that we who can see could render. I know it won't cost too much, because I don't think there are too many of these people in this group. I believe that we should all work together and try to get this help for them. I am going to support this motion.

The question being put, the motion (Mrs. Cooper) was agreed to unanimously.

#### **MOTION FOR RETURN (No. 35)**

The Assembly resumed from Thursday, March 14, 1957, the adjourned debate on the proposed motion of Mr. Foley:

"That an Order of the Assembly do issue for a Return (No. 35) showing:

- (1) The number of men employed (a) on a permanent basis, (b) on a temporary basis, during the 1955-56 fiscal year, in operations of the Big River Mill by the Saskatchewan Timber Board.
- (2) The total amount of money expended for: (a) permanent salaried employees, (b) temporary salaried employees.
- (3) The average cost per thousand board feet for lumber produced."

**Hon. J.H. Brockelbank (Minister of Mineral Resources):** — The Minister of Natural Resources (Hon. Mr. Kuziak) asked me to pay some attention to this motion, and I would have to point out to the House that on the basis of the public interest, we could not give the information requested in Clause (3) of the motion. This

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is asking for details of one isolated, separate operation of the Saskatchewan Timber Board. Now we could give average costs across the province, but I think it must be obvious to everybody why you cannot give average costs on one isolated operation, which means that others who are competing in the production would know what that cost is. No good businessman would give out that information, and, therefore in the public interest, I will have to move, seconded by the Hon. Mr. Bentley:

“That clause (3) be deleted.”

**Mr. F.E. Foley (Turtleford):** —I want to assure the hon. Minister that I did not ask clause (3) with the idea of asking for information of a type which would not be in the public interest. But I think, myself and other members of the Crown Corporations Committee have been attempting, during meetings of the Committee, to get some type of information on the operations of the Timber Board, by which we could form an opinion as to the merits of the Corporation, and also try to obtain a basis for comparing its operations with other wood enterprises, other private lumbering enterprises, both in this province and in other provinces.

Now that, I think, is what I had in mind, and before anything further is done regarding this amendment, I would ask the hon. Minister if he could suggest what information, or any information that might be available to enable us to draw some comparison between this and private companies operating in this field.

**Hon. Mr. Brockelbank:** — Mr. Speaker, I can't speak again. I have exhausted my right on this motion, but on a point of order (if I might mention), actually I didn't have to move the motion, because the Minister would have the right without any argument or debate at all, in giving the information following clause (3) to just say “not considered to be in the public interest”. But I can't debate it here without getting completely out of order. The Crown Corporations committee can debate the matter.

**Mr. A.H. McDonald (Leader of the Official Opposition):** —Mr. Speaker, on a point of order. The Minister has informed us that he would be prepared to give us the average cost per thousand board feet through the entire operations of the Timber Board; so what harm would he do, in the public interest, if he were to give us the average cost of one mill.

**Mr. Speaker:** — The Minister has stated that it is not in the public interest, and that has to be accepted.

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

The question being put on the motion as amended, it was agreed to, and an Order of the Assembly issued, accordingly.

### MOTION FOR RETURN (No. 39)

The Assembly resumed from Thursday, March 14, 1957, the adjourned debate on the proposed motion of Mr. McFarlane:

“That an Order of the Assembly do issue for a Return (No. 39) showing:

In the year 1955-56, the number of the following tradesmen and professional people recruited to Saskatchewan through the Agent General’s Office in London, England: (a) teachers, (b) nurses, (c) doctors, (d) engineers, (e) geologists.”

**Premier Douglas:** — Mr. Speaker, it will take some time to get this information. We have no records here of the information asked for, namely, “the following tradesmen and professional people recruited to Saskatchewan through the Agent General’s Office in London, England: (a) teachers, nurses, doctors, engineers, geologists, etc.”

Now the Agent General may have some record, and by going through his files, he may have some information. But again, that information may be very fragmentary; a good deal of it would consist of putting advertisements in the papers, answering requests for information and inquiries, and interviewing people, and whether or not they did eventually come to Saskatchewan or not, he wouldn’t always know. However, we can get such information as he may have, but it will, of course, take some time, because we will have to go to the Agent General’s Office in England for it.

**Mr. D.T. McFarlane (Qu’Appelle-Wolseley):** — Mr. Speaker, I am quite prepared to take whatever information is available on that, and through a period of time I would be quite prepared also to take any information that can be gathered in the balance of time on this question, if that is agreeable to the Premier.

The Motion (for return) was agreed to, and an Order of the Assembly issued accordingly.

### FEDERAL FINANCIAL AID FOR EDUCATION

The Assembly resumed, from Tuesday, March 12, 1957, the adjourned debate on the proposed motion of Mr. Thorson (Souris-Estevan):

“That, in the opinion of this Assembly, the Government of Canada should, without encroaching on the exclusive jurisdiction of the provinces in the matter of administration and curricula, provide

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increased financial aid to the various provinces of Canada for the expansion and equalization of educational opportunities in the primary, secondary and higher institutions of learning.”

**Mr. D.T. McFarlane (Qu’Appelle-Wolseley):** — Mr. Speaker, I am rising to take part in the debate on this resolution, because I believe it is a very important resolution. Its subject matter does not deal with this province alone, but we are to debate here a matter, as it is worded, that would pertain to the other nine provinces. I am sure there are factors and conditions in the other provinces that would not necessarily apply to Saskatchewan, and I am equally certain that these other provinces have Governments who can quite capably present their cases to the Federal Government better than could be done by this Government.

The member for Souris-Estevan (Mr. Thorson) when he introduced this resolution wandered at some length across Canada as a whole, in order to cite figures and conditions to try and give emphasis to some of his statements; and I will deal with some of them during the course of my remarks. However, I believe it would be more effective, more constructive and of much greater value to the people of this province, if we point up conditions as they affect our educational system here.

In Saskatchewan, during the past 13 years, we have been blessed with the highest sustained average yield of grain in our history, plus the fact that, due to our present Federal Wheat Board system of marketing, we have received the highest sustained average price in our history. These two factors have been instrumental to a very large degree in our Provincial Government being able to collect more revenue in tax money throughout each successive year. As a result this year, we will be spending a record revenue Budget of over \$116 million. This only represents part of the picture, as other sources of Government revenue add up to the point where, this year, they will have in the neighbourhood of \$167 million to spend, not counting hospitalisation. In other words, they are taxing us, and spending \$5 ½ for every dollar any previous Government ever did.

What is the picture, Mr. Speaker. We find that in spite of the tremendous sums available to the present Government, many of our essential services have not been improved. By the end of 1956, our rural municipalities had a staggering estimated arrears of taxes of nearly \$35 million. By December, 1955, larger school units alone had arrears of taxes of \$9,890,651. The estimated arrears for 1956 would be near the \$12 million mark. It is indeed startling when we realize that the estimated arrears of municipal taxes by the end of 1956 would reach \$36 million, because it represents more money than any previous Government of Saskatchewan had to spend from a provincial budget, before the C.C.F. Government came to office in this province.

In 1944, the municipal taxes for school purposes amounted to \$9,930,000. By the end of 1955, they had risen to \$28,654,000 or an increase of 183 per cent. The increase in that time for the cities . . .

**Hon. Mr. Brockelbank:** — Mr. Speaker, it sounds like the hon. member is speaking on the Budget, unless he ties this argument in as being either in favour or opposed to the motion.

**Mr. McFarlane:** — If the hon. member can contain himself, Mr. Speaker, I will show how the statements I have made will relate to what I have to say that will follow.

As I said before I was interrupted, the increase amounted to 183 per cent. The increase during that time for our cities was 183 per cent; in our villages it amounted to 186 per cent, and in the towns it was 337 per cent. Municipal taxes for school purposes have increased from \$19 million since 1944, are increasing at the astounding rate of \$2 million per year, and will continue to increase for sometime in the future.

What has been the result, Mr. Speaker? Larger school unit arrears of taxes are continuing to rise, and by December 31, 1955, amounted to some \$9,890,000. This represents an increase of some \$2,300,000 more than at the same date in the previous year. It will be interesting to see what the figure will be by the end of 1956 and I would estimate it would be around \$12 million.

As an illustration of arrears of school taxes, in a few of the larger units, I will draw your attention to some of the units in the constituencies represented by members of this Government, and the figure will be as of December 31, 1955:

Unite No. 46 – Wadena – arrears, \$487,813  
Unit No. 38 – Foam Lake – arrears, 292,815  
Unit No. 2 – Estevan – arrears, 278,218  
Unit No. 44 – Kerrobert – arrears, 260,769

And then there are the other two larger units: one the larger unit of Meadow Lake, No. 66 – \$309,558 and No. 61, Nipawin – \$497,613.

Now, Mr. Speaker, let us see if we are getting value for our tax dollar. In 1956, 600 teachers left this province. In the enrolment year, 1955-56, only 541 students graduated from the Teachers' College. This simply means that more teachers left this province than went into the profession during that year. As a result, many of our children today are under the supervision of unqualified teachers, persons who do not hold teachers' certificates. As of January 31, 1957, 152 classrooms were under the supervision

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of unqualified teachers in larger units. The tremendous lack of teachers is further emphasized by the fact that, by the end of 1956, 1,887 school districts were closed, and since this C.C.F. Government came to power, 896 of our rural schools have been closed.

Why are teachers leaving this province? The Saskatchewan School Trustees' Association stated inadequate salaries were the main reason for our shortage of teachers. Higher teachers' salaries in other neighbouring provinces as compared to Saskatchewan, have continually attracted our teachers, and as a result they are leaving for British Columbia, Ontario, and other provinces. Mr. Speaker, every time we lose a teacher to another province, we not only lose the services of that teacher, but we also lose an investment by the taxpayers of Saskatchewan, or some \$2,000 which went to providing the services for training that teach. According to the member for Souris-Estevan (Mr. Thorson) in 1951, 63 per cent of the rural children and 57 per cent of the urban children in Canada, between the ages of 15 and 19 years of age, were not attending any school. It is interesting to compare the figure for the enrolment of children in this province, before and since a C.C.F. Government came into power.

In 1927-28 the total enrolment in Saskatchewan was 215,968 children. In 1932-33, it has risen to 226,007. In 1937-38 it was 211,298; in 1942-43, 186,265; in 1952-53, 162,934; in 1954-55, 176,006 and in 1955-56, 179,166. Right in the heart of the depression years of 1932-33 we had 64,000 more pupils enrolled in our classrooms than we had 20 years later under this Government.

Further to this, Mr. Speaker, even in spite of the figures, I would still like to point out that the enrolment is beginning to increase, and with increased enrolments, once again the Government of this province is going to be faced with conditions which will need remedial action.

Let us compare the cost of education over a period of year. the total cost of education rose from \$12 million in 1941, to 440 million by 1953. Not only have the total costs risen sharply since 1941, but the per capita costs for education have risen, while our population is declining. The per capita cost has risen from \$14 in 1941, to \$47 in 1953. With education costs continually rising, and population decreasing, a serious situation is developing in this province. We in Saskatchewan are paying a per capita cost for education, which is 30 per cent higher than the average for all the rest of Canada. This is an alarming situation, Mr. Speaker, should personal net income drop, especially in rural areas. Average school grants in 1941 to 1946 amounted to about \$3 million, and have risen to about \$8.7 million in 1954. Although they nearly tripled, still the glaring situation exists where the total Government percentage of budget disbursements for education in rural municipalities has become a progressively higher proportion of the net farm income, and by 1956, it was a higher proportion than at any time since the 1930's.



I have dealt in my early remarks with the conditions facing the taxpayers, and the enrolment in schools, and I want at this time, with your permission, sir, to read the contents of a letter sent to Mr. A.H. McDonald M.L.A. for Moosomin, Mr. Ross McCarthy, M.L.A. for Cannington, and to myself, M.L.A. for Qu'Appelle-Wolseley. It comes from the Secretary-Treasurer of the Regina East Teachers' Association. It is very short, and it states:

“Gentlemen:

‘Be it resolved that the Department of Education subsidize the cost of social studies textbooks for Grades 5, 6, 7 and 8, in order to reduce the present exorbitant cost to the students.

‘The above resolution was passed at our last Annual Convention, and a copy has been sent to the central office of the Saskatchewan Teachers' Federation, from where it is directed to the proper authorities. However, the Executive of our Association have instructed me to forward a copy to our M.L.A. As our area is served by you gentlemen, I am forwarding a copy to each of you.

‘We trust that you will be in a position to press for the implementation of this Resolution.

Yours very gratefully,

Arnold Schiffers,  
Secretary-Treasurer,  
Regina East Teachers' Association.”

I just brought that in as a point of view expressed by the Regina East Teachers' Association.

Mr. Speaker, I would like to move, seconded by Mr. Foley: — That all the words after the word “Assembly” be deleted, and the following substituted therefore:

“recognizing the serious difficulties encountered by school officials in meeting the ever-increasing demand for additional classrooms and in retaining qualified teachers, coupled with an ever-mounting tax burden on local ratepayers recommend to the consideration of the Government the establishment of a Committee of educationists to examine reports and recommendations as a result of research work done by Canadian School Trustees Association under the direction of Dr. LaZerte, to study suggestions concerning a foundation

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program for education, and to work in co-operation with other provinces in an endeavour to establish in each province a program such as would be incorporated into a policy through which the Federal Government may make unconditional grants.”

I move this amendment, seconded by the hon. members for Turtleford (Mr. Foley).

**Premier Douglas:** — Mr. Speaker, I have always taken it that an amendment is supposed to modify or enlarge or circumscribe in some particular, the motion which it seeks to amend. If I correctly caught the wording of the proposed amendment, it bears no relation whatsoever to the motion now before the House.

**Mr. Speaker:** — Actually it does at the very end. It recommends unconditional grants made by the Federal Government, but the wording of this as it appears here is hardly acceptable.

**Premier Douglas:** — Mr. Speaker, would you rather prefer to reserve your decision and let it stand until we can go on with the rest . . .

**Mr. Speaker:** — On the form of this amendment, I do so. I am reserving a decision on the acceptability of this amendment.

**Hon. Mr. Fines (Provincial Treasurer):** — I beg leave to adjourn the debate.

(Debate adjourned)

#### **CASH ADVANCES ON FARM-STORED GRAIN**

The Assembly resumed from Tuesday, March 12, 1957 the adjourned debate on the proposed motion of Mr. Thurston:

“That this Assembly, through the appropriate governmental channels, reiterate its request to the Government of Canada to implement a policy of cash advances on farm-stored grain as a permanent feature of Wheat Board marketing.”

**Mr. R.A. McCarthy (Cannington):** — Well, Mr. Speaker, as I said the other night, I was surprised to hear my young friend from Lumsden (Mr. Thurston) say that you can, by statistics, work out what your wheat crop is going to be. Of course the farmers know that it doesn't depend on statistics; it depends mostly on the weather. If you don't get rain you don't get wheat, and if you get too much rain you sometimes don't get wheat, either.

There is another important point, however. When we talk about the Wheat Board we are talking about one of the best organizations that has ever been set up for the farmers, and it was set up to sell wheat for the best price it could, and to return payment to the farmers after expenses were recovered. The further we depart from the original intent behind the establishment of the Wheat Board, the more we put party politics into the Board.

That is my great objection to this resolution. I don't care how good some of the things that are advocated might be; but if you are going to do any harm to the Wheat Board, or make it so that they cannot fulfil the original intent to the best of their ability, then I think we should leave it as it is. If some of these things have to come about, well then, let's get them done through some other agency and leave the Wheat Board to do just what it was set up to do.

**Mr. A.L.S. Brown (Bengough):** — I was quite surprised to hear our friends on the other side say what they did. In rising to second this motion, I would have thought that a very good case had been made out for cash advances on farm-stored grain. Certainly the mover of the motion gave a very good talk on these reasons. We don't claim that cash advances are the answer to all our troubles; but we certainly say that this is an answer to one of the elements that affect farmers.

We are not asking something for nothing, Mr. Speaker. Any farmer who has wheat on his farm and cannot get returns for it, is in the same position as a person who has produced goods which are available for sale, but who does not get paid for his labour.

I was very much surprised to hear the hon. member who has just spoken when he suggested that the elevator agents were not the people who should be in a position, or who should be asked, to make the advances. I think that is casting a little bit of a slur upon our elevator agents in this province.

**Mr. McCarthy:** — On a point of privilege, Mr. Speaker, I cast no aspersions on any elevator agent. I said they weren't trained in that particular field, and I have every respect for elevator agents.

**Mr. Brown:** — Exactly, Mr. Speaker, and that is the reason I made my remarks in the way in which I did.

**Mr. McCarthy:** — You said I was casting a slur . . .

**Mr. Brown:** — No, I did not. I said it could be construed as a slur upon the elevator agents of this province.

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You will recall, Mr. Speaker, that when the bank loans were first initiated, the Minister of Trade and Commerce, Mr. Howe, said much as the member for Cannington has said in that respect, that they were not trained men who were able to make the loans, and who would be qualified to make the loans. The Minister of Trade and Commerce made a statement similar to the statement made by the member for Cannington. But (Lo and behold!) when the loans Act was introduced in the House, somewhere along the line, overnight or somewhere, those elevator agents must have got a University training, for when the Loans Act appeared upon the Statute books, the elevator agents were given the most difficult task, and that was the responsibility of collecting the loans that were made. No one can tell me that the making of a loan is more difficult than the collecting. I haven't had too much experience in financial undertakings, but I do know that it has always been easier on my behalf to make a loan than it has ever been to collect that loan from the people to whom I made it.

His suggestion that elevator agents are qualified to do the collecting, and are not qualified to do the loaning is, I suggest, not wholly in keeping with our endeavour to have good public relations with out elevator agents. He says that it will be a danger to the Wheat Board. If he had taken the trouble to read the resolution, he would realize and appreciate that we do not suggest that this necessarily be handled through the Canadian Wheat Board. If the Federal Government in its wisdom sees fit to handle it through the Canadian Wheat Board, we are prepared to accept it as that. The member for Lumsden (Mr. Thurston) in moving this resolution pointed out that, if the Federal Government did not see fit to use the medium of the Canadian Wheat Board, they could set up some other appropriate agency, and he suggested that one might be set up similar to the Commodities Credit Corporation set up in the United States. So the suggestion that this would be damaging to the Wheat Board, in any respect, is indeed a far-fetched assumption. As the member pointed out in his remarks, in effect this would strengthen the position of the Canadian Wheat Board. If the farmers through the medium of cash advances could obtain their cash at the time they need it (that is primarily at harvest) that would go a long way to make it possible for a more orderly movement of our grain from the farm to the elevators, and from the elevators to the terminals, and from the terminals on to the markets of the world.

My friend suggested that this was only a temporary situation. It is true that there are times in this province, when we have no surpluses; but there was a time in the past, and there will be times in the future, even if our present surplus is finally disposed of, when there are temporary surpluses on the farms in this province.

**Mr. McCarthy:** — Or a shortage.

**Mr. Brown:** — Every year, with our mechanized farm operations in this province, in which we are able to take off our crops in a very short period of time, under normal weather conditions, we are bound to be in a position where we cannot deliver all the grain we would like to deliver during the harvest period. So there will always be a time during the harvest every year in which some farmers in this province will require advances upon their grain.

This evening, my good friend from Cannington (Mr. McCarthy), in referring to this resolution, suggested that the Wheat Board was getting into party politics. If the Wheat Board ever got into party politics, it was through the medium and activity of the Liberal party in the Federal Government at Ottawa. We on this side of the House, in the C.C.F. organization, have never at any time attempted to bring the Wheat Board into the field of party politics. It has been only the C.C.F. organization and the C.C.F. philosophy that has advocated and supported the theory of orderly marketing through a Crown Corporation, such as the Wheat Board is. It is true that the Wheat Board did, on one or two occasions, get into party politics, and one of the occasions and the one to which I think my hon. friend was referring, was the time during the Federal election, I believe, it was, in 1949. During the crop year previous to that, the Wheat Board (I presume on the authority of the Federal Government, they could have done it no other way) went out and borrowed money, so they might be able to make an interim payment, and so attempt to influence the voters out here in Western Canada, and in the province of Saskatchewan. That was the only occasion in my mind upon which the Wheat Board was brought into party politics, and it was brought there by the Liberal Government at Ottawa, and it is on the records that they did borrow the money to make that interim payment. If there was any departure from the original objectives of the Canadian Bill, which was originally established at the request of the farmers of Western Canada, originally established by a Conservative Government; if there has been any departure from the objective it had at that time, and which was originally written into the Canadian Wheat Board, it has been done only by the Federal Government at Ottawa. The blame can be laid at no other place than at the Federal Government, for the Canadian Wheat Board is simply an agency of the Federal Government, established by the Federal Government, and, in the final analysis, controlled by the Government.

I can't exactly appreciate, Mr. Speaker, how we began discussing the Wheat Board in this particular resolution; but insofar as the member for Cannington raised it, I thought some reply might be in order. I do suggest that, on previous occasions in this House, the Liberal party has opposed the principle of cash advances. I didn't exactly catch what the member for Cannington said when he took his seat, whether he was going to support it or oppose it; but I will be interested to see what the Liberal party at this time is prepared to do. Throughout the past few years, the Liberal party has made the accusation that everybody was out of step who was advocating cash advances except the Liberal party, who was advocating and supporting loans through the banks rather than cash advances. It will indeed be interesting to see if the Liberal party has finally in its wisdom agreed to get in line and to get in step with other organizations in western Canada.

**Mr. McCarthy:** — Don't worry about it.

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**Mr. J.W. Horsman (Wilkie):** — Mr. Speaker, you know it is a very easy thing to stand up in this House, or anywhere else, and make any proposal you wish, no matter how hard that proposal might be to put into practice. It is very easy to outline a proposal and say that you want this, or you want that, but to come out with some plan as to how this proposal will be implemented is something that I haven't heard yet from my hon. friends opposite.

I don't intend to go into this thing very deeply, but we know a few things about the surplus that we have on hand now. I will just mention one or two of the reasons. This surplus we have on hand is caused by our orderly marketing system (which we all want) and by the huge crops we have had in recent years. We have sold almost as much wheat as we ever have over the last 10 years, probably more than we ever sold in a like period before. But we have grown much more wheat than we ever grew before, and our surplus, of course, is piling up.

I see many reasons — I would like to have cash advances; don't mistake me. Anything that will put money in the hands of the farmers I would like to see done; but I want to see some way that it is going to be done. I want to know how you are going to remove the difficulties in the way of paying cash advances, not from the standpoint of the money that will be involved, but for many other reasons. I am going to outline a few of them as I see them.

I think for a purely selfish reason, I would like to see this done. We have a lot of grain on our farm; we have a lot of grain out there, and many other people are in the same position. I would like to get a little money on that grain if I could. But I can see — you know, when we have a crop failure, we have to send men out in the country (the P.F.A.A. does this) to make inspections of the crop, to find out how much wheat there is on each farm, and to find out whether they qualify for a bonus. A system of inspection similar to that would have to be done in this respect. Every bushel of wheat would have to be measured, every granary would have to be measured, the quality of the wheat would have to be established, just the same as if you were going to be paid a bonus. It would entail a lot of money and an awful lot of work. Another thing: there would be this difference between paying cash advances on grain on the farm, and paying a bonus for a crop failure as far as expense is concerned. The difference is that on a crop failure year, when the inspectors go out to inspect your wheat, or make a crop inspection, it makes no difference where your grain is, whether it is on the ground, or where it is. They will pay you the bonus just the same, if you don't have sufficient wheat to be above eight bushels to the acre; but it would be a different thing when you buy grain, or pay an advance on it, when stored on the farm. What Government, or what investing company, or mortgage company or anyone else would pay advances on grain that was out in piles on the prairie, buried in the snow, or in the old leaky buildings, where the water would run through the roof, or run in underneath the grain, or in these snow-fences that you see out in the country, with no roof on them, or things like that? I just wonder if it would be good business for anybody to advance money on grain stored in that manner.

As far as this resolution goes, it says nothing about how the grain must be stored at all; just that it is grain that is on the farm. It doesn't matter how it is stored. There are many other things, too, that can happen to wheat on the farm, even in good storage; mites and the rusty grain beetle are two things in particular. I know a man (a friend of mine) who had about 12,000 bushels of wheat in storage in a big implement shed, and it was good storage. He thought the grain was dry and in good condition when he put it in there. He went out in the winter to take some grain out of that place, and he found that the whole thing was ruined by rusty grain beetles. Now what would happen in a case like that? Whose loss would that be?

**Premier Douglas:** — It can be insured. The Commodities Credit Corporation will insure all the grain that is in storage for 25 cents on a hundred dollars.

**Mr. Horsman:** — Another thing, if you receive 75 per cent of the initial payment, then when the wheat was delivered you would only have about 30 cents a bushel coming on the wheat. That might be all right for some people. I wonder how many farmers in the country, if they got all their salary in one bunch in the fall, or practically all of it, would have money in six months from that time. It would only work for the farmers that have wheat anyway. It would give no assistance whatever to these quarter-section farmers, who have hardly any wheat on their farms. Those are the people who really need help.

At the present time the Federal Government do pay storage on all grain stored in excess of the normal carryover, which amounts to over \$30 million a year, direct to the farmers of Western Canada, and I doubt whether this proposition of cash advances will appeal to any Government, I don't think it will. For that reason, Mr. Speaker, I cannot support this motion.

**Hon. I.C. Nollet (Minister of Agriculture):** — Mr. Speaker, before the question is put, I would just like to say a few words in connection with this motion. It may be true that this motion does not indicate anything in regard to improving farm storage, but nevertheless, this motion is just merely asking support for the principle of advance payments on farm-stored grain as a permanent feature of Wheat Board marketing.

I find it very difficult to understand why the hon. members opposite refuse to support a resolution of this kind which, I think, has practical merit. Certainly from the point of view of the farmers of this province, it has practical merit and very tangible benefits, not only in the matter of paying municipal taxes, but permitting the farmer to pay his obligations at a reasonably early date after harvest.

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I think we fail to realize that, since the Wheat Board was organized, agriculture has gone through a tremendous progressive revolution in regard to mechanization generally. The hon. member for Bengough (Mr. Brown) made some reference to it, and I think we should place a premium of emphasis on the fact that, since farmers are now mechanized with trucks and combines, even under normal crop conditions – and in this I make reply to the hon. member's objection that this condition would only prevail during a period of surplus crops; I say to the House that this same congested condition, this same strain on the transportation and handling facilities will take place under normal crop conditions. Farmers are mechanized; they hurry their crop into the elevators as rapidly as they can. There simply are not enough handling facilities to move that grain from the farmers into a marketable position and at the same time give the farmer sufficient income to cover his current expenses and his operating cost in sufficient time, because of those factors.

I am rather surprised that the techniques of putting this into effect are being questioned, when as a matter of fact, this method of advance payment on farm-stored grain has been in effect in the United States for many, many years. . .

**Some Hon. Member:** — Since 1936.

**Hon. Mr. Nollet:** — Yes, since 1936. We have been, I think, asleep at the switch. The other argument advanced is that this somehow or other would bring the Wheat Board into politics, that it would create controversy.

In contrast to that argument, Mr. Speaker, I suggest the opinion of the organized farm people who, a year ago last fall, held meetings all over this province and unanimously supported the principle of advance payments on farm-stored grain. I would suggest further to the hon. members opposite that, if they want to keep young people on the farms, and keep the older people on the farms, we have to devise some means of bringing recompense to those people for their labour at the end of the year. The hon. member who spoke before me, I am rather amazed and surprised, suggested that the farmers might spend their money. I never knew that the Wheat Board system of marketing, as we have it at the moment, and without regard to some advance being made to the farmers, was intended to ever be a 'savings plan'. Certainly not. It is a marketing scheme that, I believe, must meet the needs of our farm people.

My arguments for this proposal are to strengthen the Wheat Board as a marketing agency to achieve orderly marketing, and at the same time fulfil the basic requirements of the farmers as a producer. It must do that, my or I greatly fear that it will become a political issue, and, as I pointed out during our meeting and interview with the Federal Government in Ottawa a year ago last October 11th, more and more there are many young people who have grown up in recent years, who do not realize the tremendous fight that has been carried on over the years by the organized farm movement



for a Wheat Board system of marketing. they don't realize the long struggle that it took to establish the present Wheat Board. Many of those young people are getting discouraged over the fact that their grain isn't marketed in due course, and they are beginning to blame the Wheat Board system of marketing for this.

I would suggest, therefore, that any system of marketing must meet the actual practical needs of the farmer on the land. If it doesn't do that, it has some shortcoming; and this resolution suggests a method of making the Wheat Board a practical marketing scheme that will meet the needs of the farmer, and also provide an orderly scheme of marketing.

It has been suggested that there would be great difficulty in connection with grading the wheat on the farm, and to determine the quantity of wheat on each farm. With a small advance, with an advance of 50 per cent, say, on the initial price, or 75 per cent, certainly no great risk would be involved. But I do suggest further, as a practical means of providing our farm people with better storage facilities (and I have said this on many occasions), that credit should be made available to such farmers as do not have adequate storage facilities to enable them to erect suitable storage facilities that would ensure that the wheat placed in those storage facilities would remain in a good condition. I would suggest that those loans might be repaid by crediting the same storage charges as are now being paid to the commercial elevators, until these farm storage bins are paid for, Mr. Speaker.

I think those are logical and practical suggestions, and if this resolution is accepted in principle, no doubt a system of that kind will be brought into being. It has been done in the United States, and there is no reason why the same cannot be done in Canada.

With those few words, you can be assured, Mr. Speaker, that I will support the motion, and again I express my sincere regret that the hon. members opposite cannot come along with us on this simple request, which I think a most practical request, one that would popularise the Wheat Board, and would make it an effective marketing scheme.

**Mr. L.P. Coderre (Gravelbourg):** — The last time I got up, I tried to cram into 15 minutes what should have taken two hours. I propose to speak to a great length on this motion, Mr. Speaker, and consequently I would like to take the opportunity of adjourning the debate.

(Debate adjourned)

The Assembly then adjourned at 10:00 o'clock p.m., without question put.