

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Thirteenth Legislature**  
**39th Day**

**Tuesday, April 9, 1957**

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

**CONDOLENCES TO MINISTER OF EDUCATION**

**Premier Douglas:** — I am sure all hon. members will be saddened to know that one of our colleagues, the Minister of Education, has just had a serious bereavement in his family. His sister at the Coast has suddenly passed away, and the Minister has, therefore, left for the Coast to attend the funeral. I am sure all hon. members will join me in extending our condolences to him on this occasion.

**HOURS OF SITTING**

**Premier Douglas:** — Mr. Speaker, I would like to move, by leave of the Assembly, seconded by the Hon. Mr. fines:

That on Wednesday, April 10, and each sitting day thereafter until the end of the Session, the Assembly shall meet at 10 o'clock a.m.; that there shall be an intermission each day from 12:30 o'clock to 2:30 o'clock, and that Standing Order 5(2) be suspended in order that the Assembly may sit on Wednesday evening, as on other sitting days.

I believe, Mr. Speaker, the general consensus between the Whips of the various groups is that, since our Committee work has completely wound up, there is a general feeling that we ought to start sitting in the mornings. I am not pressing the matter. It is by consent, and, unless consent is given, of course I will not proceed with this motion.

**Mr. Speaker:** — Is leave granted?

**Some Members:** — Agreed.

The motion was then agreed to.

**GIVE-AWAY WHEAT POLICY**

Moved by Mr. Lopton, seconded by Mr. Danielson:

“That this Assembly, through the appropriate channels, urge the Government of Canada to make it possible for all

**April 9, 1957**

those who believe in a policy of giving wheat away as gifts, or for foreign currency, to do so in such quantities as their generosity dictates, as long as they do not do so to Nations who are, or have been, buyers of wheat from Canada.

**Mr. A. Loptson (Saltcoats):** — I do not propose to take up much time, at this late hour of the Session, on the introduction of this motion. It speaks for itself; and I can assure you, Mr. Speaker, that the records will indicate there are thousands of farmers who would be very glad to give some of their surplus wheat to needy people in the world, if facilities were made possible for them to do so.

It is entirely different for individuals to make contributions to causes of that kind in the way of gifts than it would be for selling agencies. There would be no offence taken insofar as international trade is concerned, if individuals were to donate a quantity of wheat or any other commodity, whereas there is an objection to a selling agency making a gift in the way of a commodity that they are selling on the world markets. For that reason I think that facilities should be made available for those who believe in that policy, and have surplus wheat that they would like to give to demonstrate their faith in helping needy people in countries that cannot buy it. I say that the Government of Canada should make it possible for them to do so, if they so wish.

There will, of course, be more finance involved than merely wheat, and I would suggest that there are many people who support the policy of giving wheat away for humanitarian purposes, and who would probably be prepared to contribute the cash necessary to see that that wheat is delivered to the countries that they choose.

**Premier Douglas:** — Mr. Speaker, before my hon. friend reads his motion, could I ask him a question? Is it my hon. friend's thought that the delivery of such wheat would be credited against the farmer's quota, or should it be in addition to the farmer's quota?

**Mr. Loptson:** — In addition to their quota. It should not interfere whatsoever. If I wanted to give 1,000 bushels, then I suggest that I should have the right to do so, and if we could accumulate, say, maybe 50 million bushels for that purpose (which I think we can) from surpluses that, I am told, are rotting on the ground or going bad in the granaries, these people would be glad to have the opportunity to make contributions to worthy causes. I would, therefore, make this motion, seconded by the hon. Member for Arm River (Mr. Danielson):

**Premier Douglas:** — I would like to say a few words about this motion which, I am sure, the hon. member has introduced out of the goodness and generosity of his heart, to provide a means whereby farmers who want to donate wheat over and above their regular quota might do so in order to help less fortunate people in other parts of the world.

I would like to point out, first of all, that, although the suggestion may have something to commend it, I doubt very much that the Government of Canada or the Canadian Wheat Board would agree to such an arrangement. In 1953 we put forth such a proposal. At that time, it will be remembered, Pakistan had undergone a very severe famine. I made the proposal here, on behalf of my colleagues, that we would be prepared to finance a campaign in

the province by which farmers could deliver wheat to the elevators; that we would undertake, by getting public donations of each from those who could not donate wheat, and those who were not engaged in farming, to get sufficient money to pay the freight to Vancouver, if the Government of Pakistan was prepared to pay the transportation from Vancouver to India. In that way we thought we could raise a considerable amount of wheat to feed the hungry people of Pakistan.

I have here the correspondence which I had with the Minister of External Affairs, who lent us the best possible assistance he could in the matter. It so happened that some of our own Government officials were to be in Ottawa attending an Immigration conference meeting that the Federal Government had convened, and they met on 12 June, 1953. those present were: Mr. Lee and Mr. Shoyama from the Saskatchewan Government; Mr. Sharp and Mr. Coghill from the Department of Trade and Commerce; Mr. Bolls from the Department of National Revenue; Mr. H.H. Wright from the Department of Finance, and Mr. Bissell and Mr. Warren from the External Affairs Department. the meeting was presided over by Mr. A.D. Ritchie of the Economic Division of the Department of External Affairs. I have here the minutes of the meeting as prepared by Mr. Ritchie, who chaired the meeting.

There were no difficulties in the matter of Pakistan taking the wheat; there were no difficulties in the matter of being able to transport the wheat to the Pacific Coast. We had received a very widespread response in the province of Saskatchewan. Farmers from all over the province, and farm organizations, deluged us with wires and letters saying that they were quite prepared to donate. The difficulty we ran into was that the Wheat Board said they could not accept this wheat unless it was going to be applied against the farmers' quota; that if the farmer was prepared to deliver wheat against his quota, and take his cash certificates and turn those cash certificates in as a donation, of course, he was free to do so. But they would not accept any wheat unless that wheat was going to be credited against the farmer's quota. We felt that we could not pursue the campaign in the light of that stipulation; that for us to go out and ask the farmers to contribute wheat and thereby deny themselves the right to sell their own wheat to maintain themselves and their families, would be asking them to do what would be virtually impossible.

The whole minutes of that meeting which took place indicate very clearly that the Federal Government and the Department of Trade and Commerce were adamant on that point. There was a good deal of correspondence, and, very reluctantly, we finally dropped the idea. I still think it was a good idea, and I think the people of Saskatchewan would have contributed some of their surplus grain. I think, too, it would have done much to cement the feeling of neighbourliness between Canada and Pakistan. I think the Department of External Affairs would have like to see such a campaign undertaken, and I know the Government of Pakistan was most enthusiastic about the idea. But we had to drop it, and I would think this resolution would fall into exactly the same difficulty.

There is a much more fundamental objection I have to the resolution, and I think the member who has moved it has really done the House and the province a service by helping to point up the two different points of view. There are two schools of thought as to how one ought to deal with a program designed to help other people. There have always been those who thought that one of the functions of governments was to be responsible for general welfare. There are, on the other hand, those who think that governments should have

**April 9, 1957**

nothing to do with general welfare and that it is a matter for private charity; that it is a matter for individuals to give out of the generosity of their own hearts. Those two schools of thought have always been at war within our society. Most of us can remember the time when there were arguments against the introduction of old-age pension legislation, because it was said that children should learn to honour their parents and look after their parents, and, that old-age pension legislation taken over by the State would be removing this opportunity for the exercise of charity. There have always been those who felt that things like unemployment insurance and crop insurance took away from people the incentive to be thrifty and, therefore, the State ought not to get into an organized system of assistance to people in need.

I think the latter school of thought is gradually disappearing. I think it is now being recognized more and more, in at least all of the western world, that governments have a responsibility for general welfare; that we ought not just leave it to individual and private charities. There is always a place, of course, for private charity. There is always a place for individuals and organizations to do something more than the people collectively can do through their governments. Nevertheless, that does not remove the responsibility which governments have to collectively collect from all the people according to their means, and to distribute what they have collected to the needy according to their need. So you have these two opposite points of view: those who think that the State should not be responsible for general welfare, and those who think the State should; those who believe that we should demand from every man according to his means, and give to every man according to his needs, and those who think it should be left to the caprice of the individual's generosity.

What is true within a nation is equally true in its relations with other nations. It might be all right for the people of Saskatchewan to contribute a few thousand bushels of wheat and give it to some needy people. I would not object to that; as I said, we actually tried to do that in 1953. But sure, as a people, as a nation, we ought to be doing it. Surely the people of Canada, one of the wealthy and one of the fortunate nations of the world, a country which has never been hurt by the hand of war – we haven't had, for over a century, a war on our own territory; surely we ought, as a nation, collectively and co-operatively, to do something to help the needy and unfortunate people in other parts of the world, not only as a proof of our humanitarian philosophy, not only because we believe in the Christian philosophy of life, but also because we have to recognize that, throughout the world, there are millions of people living on a subsistence diet, or below a subsistence diet. There are 80,000 new human beings sitting down to breakfast every morning; 80,000 every morning. The world population is growing at an amazing rate, and in some parts of the world it is becoming increasingly impossible to raise sufficient quantities of food to feed the growing population.

In the last issue of Maclean's magazine there is a very good article by Bruce Hutchison, in which he deals with our modern philosophy of life. One of the points he makes, which, I think, every Canadian citizen ought to read and inscribe on the walls of our memory, is that the day is coming very rapidly when the coloured people of the world, the people of Asia and Africa, are going to have insufficient food, insufficient of the necessities of life, and that, unless we are prepared to share some of the abundance which we have with them, the day is coming when we will be annihilated —

surrounded by millions of people who are not forever going to be satisfied to live of a subsistence diet while we have a surplus. When that day comes, he says, we may be compelled to fight for our very existence, and to fight for the great territory which now lies under our jurisdiction.

I have always maintained, and the C.C.F. Party has always maintained, that the greatest contribution which can be made to peace lies not just in building armies, not just in hydrogen and atomic bombs, but that the real fundamental basis upon which lasting peace can be built is on good will and neighbourliness; that wars are caused in part by hunger. People are driven to war when the resources of the country in which they live will not give them a decent standard of living, and when that time comes war is a lesser evil than starvation and hunger. If we are to build lasting peace in the world, the best way to do it is not just to have armaments by which we can repel an invader, but to stretch out the hand of friendship and neighbourliness across the oceans of the world, to feed the hungry, lift up the fallen, clothe the naked and help those people who cannot help themselves, believing that, in that way, we can establish good will in the world; for only on good will can we build a lasting peace.

We have always maintained that private charity has a place, and I suppose most of us through our respective churches contribute to missions, we contribute to CARE, we contribute to various organizations that are taking care of orphaned children in countries like Korea and various other parts of the world – and that, of course, we ought to continue to do. There are things, however, which we ought to do as a nation and which can only be done as a nation, because only the Government of Canada has the international connections through its Embassies, through its Trade Commissioners, through the Canadian Wheat Board; and only through a central government agency can we as a nation make the contribution which ought to be made to these under-privileged and needy people.

We are convinced that, if that is done, it would have tremendous repercussions in the world; that we could make friends of countries which could become potential enemies. We could give assistance, not only by supplying food but by supplying technical services, by helping them to increase their production, by helping them to establish power stations and to apply new agricultural techniques, by supplying fertilizer and other essentials towards raising their standard of living. We are convinced that, apart from this being a humanitarian gesture, it would be a tremendous investment in world peace. We think that food is still the greatest weapon in the arsenal of democracy, and that Canada, which has a surplus of food, could use that food to establish good will in the world – not food donated just by farmers, but food donated by all the people of Canada and paid for by all the people of Canada. We think that, in the long run, if we have to invest our money in weapons for peace, it is a better investment to put our money into supplying food and other requisites to the need people of the world.

Therefore, I am going to move, seconded by the Hon. Mr. Fines:

That all the words after “Canada” in the second line be deleted, and the following substituted therefore – when the substitution is made the motion would then read:

**April 9, 1957**

“That this Assembly, through the appropriate channels, urge the Government of Canada to set aside each year an amount not less than 25 per cent of its defence expenditures for the purpose of providing wheat, food surpluses and other forms of assistance to the under-privileged and under-developed nations of the world.”

**Mrs. M.J. Batten (Humboldt):** — Mr. Speaker, when this motion was moved I was not in a position to speak on this motion. I thought that the motion was quite clear, and I did not think there would be any introduction of basic philosophy into this argument; but I found in the words of the Premier something which I consider to be very true and very basic and, therefore, I wish to say just a few words on that point.

As the Premier pointed out perhaps this motion shows more than just an urging for a certain emotion on the part of the Government; perhaps it does show a basic difference in belief and division of responsibility. I think the Premier probably over-simplified (when it is necessary to do when you only have a few minutes at your disposal) in dividing people into two classes – those who believe that human welfare is the responsibility of the Government, that is of the State, and those who believe that it is individual responsibility. There I think the Premier said most truthfully and realistically that there lies a great division between the thoughts of people. I think, Mr. Speaker, therein lies the great division between the thoughts of the C.C.F. and the Liberal party.

**Premier Douglas:** — Hear! Hear!

**Mrs. Batten:** — To say that the responsibility for human welfare depends on the State is to say that the State is the sum total of human hearts and human minds and human conscience; and, Mr. Speaker, that is incorrect. that is basically wrong, and it is not a realistic statement. Perhaps it is true that that is what the C.C.F. think: but I think that shows a terrible error in their thinking and one that can bring nothing but destruction to this country, and one which has brought destruction to other countries. The State, the Government, is not the sum total of human intelligence and human hearts, and once you raise the State to the point where you almost worship it because it is the total of all that you have in your country, you are making a mistake that will destroy that country and those people.

Mr. Speaker, the responsibility for human welfare is not on the State. It is on me and on you, basically; and because it is on our command, to do what we tell it to do to help human misery and to raise the standard of living in this and every other country. We cannot ever substitute the State for our own conscience or for our own intelligence. that is the basic and the terrible mistake that Communists have made and that Fascists have made. Their ultimate aims were good. Their ultimate aims were to raise the standard of living, the standard of even eating, of individual people; but because they made that very basic error of not separating the State and not recognizing that the State is nothing but a machine, a lifeless, deal tool, that is to be used by the people. By not recognizing that not one of us can renounce our

own responsibility because the State is going to look after something, when we fail to recognize that, we have lost the very battle for freedom that the Premier so beautifully spoke about.

The bread that we send over to another country is only bred when it comes from the State; but, Mr. Speaker, the bread that we send over from individuals to other individuals, recognizing that they are people, that they have children as we have children; recognizing the human humanity in those people, and recognizing their preciousness, their value, is something more than merely bread; that is the very lifeblood of the world we live in today. That is the lifeblood that inspires our people and the people of other countries to battle and to even lost their lives for that ideal. The minute we remove from our thinking, and from the thinking of our government, the value of the individual generosity, the value of the individual gift and responsibility, we have lost the very thing we pretend be fighting for.

**Mr. A.H. McDonald (Leader of the Official Opposition):** — Mr. Speaker, I had not intended to say anything on the resolution, but after the remarks of the Premier I feel compelled at least to put my thoughts on record with regard to this attitude of taking “not less than 25 per cent of our defence expenditure,” and using it for a food program for needy peoples in the world. I can more than agree with much that the Premier has said here this afternoon, for all of us realize that the population in certain parts of the world is increasing by leaps and bounds, and their ability to provide themselves with the necessities of life is not keeping pace with that tremendous increase in population. I, too, doubt that we will be able in the future to sit in such a country as Canada, and to enjoy the tremendously high standard of living that we enjoy at the moment and have enjoyed for many years, and at the same time have these conditions prevail in other parts of the world.

I, too, doubt very much that with all of the modern armaments in the world, whether they be hydrogen bombs or any other type of nuclear weapon, we can protect ourselves from the countries in the world that are continuously becoming over-populated and the problem growing from day to day. I have said before, and I want to say here again this afternoon, that some day the over-populated nations of the world will start to move into such places as Canada in such force and in such numbers that no one will keep them out of this country and other parts of the world that are in a similar position to ourselves. That is why I have always said that we must open our borders to immigration. We must bring as many people as humanly possible into the Dominion of Canada; we must convert them to our way of life, and make the fruits of this country available to those people from other parts of the world.

But when we talk about taking money that is now being used in the defence of this nation, and in defence of the western world, Mr. Speaker, I couldn't object to anything more strongly than a program like that, and again, this afternoon, I am going to revert to some of my own personal experiences, something that no one could ever accuse me of doing before. It is only a few short years ago that literally thousands of

**April 9, 1957**

Canadians were killed in a war for the simple reason that they were not prepared to fight that war. I can recall the first station I was posted to in the Old Country in the last World War, some 22 miles from the German army, and the defence of that Air force station consisted of a piece of wood about four inches in diameter, three feet long, with an iron spike on the end of it – and we were 22 miles removed from the greatest war machine that had ever been built up in the history of the world. Mr. Speaker, we cannot take any of the money that is being voted from day to day and year to year for the defence of this nation. The great threat to our way of life and to the Dominion of Canada today does not come from the under-privileged and under-fed people of the world. The great threat to this nation comes from people who are spending far more money not in my humble opinion, on national defence, but on preparation to be not only equally prepared but to be prepared to a far greater extent, so that those people will be afraid to go to war with our nation and with our neighbours.

When one has lives with men (hundreds of them), and those men die for the simple reason that they were not equipped with adequate arms to defend themselves or to defend their way of life, how can anyone support a resolution that suggests, in times like these that we should cut down our expenditures on national defence? No, Mr. Speaker . . .

**Premier Douglas:** — Mr. Speaker, on a question of privilege. I don't want to interrupt my hon. friend, but the resolution does not suggest that. It says "an amount not less than 25 per cent of what we are spending"; it doesn't necessarily mean reducing it by 25 per cent, but if we spent an amount, an additional amount, not less than 25 per cent of what we are spending on defence . . .

**Mr. McDonald:** — Well, that makes it more foolish than ever, Mr. Speaker. Here we are in the Dominion of Canada today. All of us, I think, will agree that there are certain services that would be desirable no matter what political party happened to form the Government of this country, that party would like very much to implement at as early a date as possible, but because of the tremendous expenditures that we have to prepare for a national emergency, and to be prepared for the defence of our nation we are unable to implement the programs at this time. Well then, how on earth are we going to get the sum of money equal to not less than 25 per cent of what we are spending in preparation for defence of this nation? Where on earth would we get the money? You have to do one of three things. You either have to curtail your expenditures on national defence; failing that you have to curtail some other programs that we are implementing in Canada, or failing that, you have to increase taxes. So, in my humble opinion, the tax structure in Canada today is of such a nature that we dare not increase it. I doubt if we can decrease the programs that are being brought into effect here in the Dominion of Canada to serve our country and our people.

**Premier Douglas:** — Your surplus alone would do it.



**Mr. McDonald:** — Well, if you want to take it from the surplus, and in answer to that, I think that you and your Government have followed the same program as our Federal Government. That is in times of high revenue we should be using our surpluses to decrease our public debt, and that is exactly what is taking place in Canada.

I wouldn't want anyone to think that I am opposed to a program of supplying all of the foodstuffs that it is humanly possible for us to supply to the hungry peoples of the world. That is not the question we are discussing here this afternoon. But, in my humble opinion, any person who would suggest that we take part, any part, of that money that we are using today for the defence of this nation, well, Mr. Speaker, they have never seen first-hand what it means for a country to have a war thrust upon them when that country is not prepared to face that war. No, I wouldn't ask any Canadian citizen to take any part of our defence expenditures to use for any other purpose, including even services for the people of Canada, because, in my own humble opinion, our first duty as a Canadian citizen is to see that this country is adequately protected, and wars in the future — God forbid! I hope we never face another one; but if we face another war, Mr. Speaker, this country will not be immune from attack. This country could easily be the 'Flanders' of the next World War — if there ever is one. I doubt very much if the defence we have at the moment is adequate to defend this nation. I think we must use every dollar that is humanly possible for the Canadian people to subscribe for the defence of the Dominion of Canada. I think that is our first responsibility.

**Hon. J.H. Brockelbank (Minister of Mineral Resources):** — Mr. Speaker, I have listened with considerable amount of interest to what the Leader of the Opposition and the hon. member for Humboldt (Mrs. Batten) had to say in regard to this amendment. I think they have not yet changed from the old attitude that nations have really no responsibility. In this world . . .

**Mr. McDonald:** — What about the . . .

**Hon. J.H. Brockelbank:** — . . . we cannot carry on. Now, the hon. Leader of the Opposition was talking about our troops and lack of preparation for war when it came. Probably before he was born, I sat in a trench and never saw one of our own planes overhead, but saw lots of the other fellow's. That isn't something new; but looking back all through history, there is one thing you can be sure of and it is that there has been nothing more futile than war in settling the world's troubles.

**Mr. McDonald:** — I agree with you.

**Hon. J.H. Brockelbank:** — I agree that we have to be strong until we get an efficient 'policeman' in the world. We've got to be strong; we can't help it. But, first of all, goods could be taken and paid for outside without interfering with the national defence program. Secondly, I am absolutely sure that there is plenty of room for some of the frills of national defence which, in the light of modern weapons, are absolutely useless and could very well be cut out today. We are still

**April 9, 1957**

carrying on a lot of things that are absolute frills and a waste. It is time we got at the root of the trouble. The Leader of the Opposition said that the threat did not come from the under-privileged people in the world. That is not right.

**Mr. McDonald:** — Mr. Speaker, on a question of privilege. I said that the threat at the moment did not come from the under-privileged and under-fed. It is quite possible that it may come from there, and I would not want to be taken wrong.

**Hon. J.H. Brockelbank:** — In the shallow and short-term sense, the Leader of the Opposition is probably correct that it will never come from the under-privileged people of the world.

**Mr. McDonald:** — I didn't say that, Mr. Speaker. It is quite possible in the future that it could be, I said.

**Hon. J.H. Brockelbank:** — He said in future it could be; but I would say that it possibly never will come, that direct and immediate threat from an under-privileged people, for the simple reason that they do not have the material, the goods, the weapons, to wage war. Don't let us forget that individuals, or groups of individuals, who want to make war can only do so successfully when they have at their command, or under their influence, large groups of people who are under-privileged. Those are the only people who can get imbued with enough hatred to start war: they have absolutely nothing to lose, and they know it. If we want to build a world that is secure, what we must do is to show the under-privileged people of the world . . .

**Mr. Lopton:** — Was Germany under-privileged when they declared war?

**Hon. Mr. Brockelbank:** — . . . that there are other and better ways, practical ways, of distributing the world's goods than by going to war about them. I don't think there is any question but that it has been ultra-nationalism, built on a belief that they were shut out from the good things of the world, that today we see the great struggle going on in the Far East and the Middle East. There, that struggle is only possible because of the millions and millions of people who are under-privileged and who, some people hope, will grasp at some of these false straws for rescue.

Mr. Speaker, I shall support the amendment.

**Mr. Isaak Elias (Rosthern):** — Mr. Speaker, the cause of this discussion is, I think, because of a wrong depreciation of our surpluses; it is because we regard them as a calamity rather than as a blessing. In disposing of these, it seems to me that some in this House feel that the preservation of an outmoded system of distribution is more important than the preservation of human lives. I feel that a well-fed people are a 'must' to peace in the world, and that hunger and starvation are breeding places for petulance, war and Communism. Because I believe that money is a greater weapon to the preservation of peace than might, because the amendment makes it possible for Canada to assume its national, moral and humanitarian responsibility in sharing our abundance with the less fortunate, I will support the amendment.

**Mr. A.C. Cameron (Maple Creek):** — Mr. Speaker, I too, was not prepared to take part in this discussion on this motion, because I thought the motion was simple, direct and to the point; that it was just a matter of paving the way for people, from the generosity of their hearts, to provide the means whereby that generosity could have full play in gifts from individuals to individuals, or to assist other individuals who are much less fortunate than we are.

I agree that the different nations of the world have responsibilities towards other nations of the world, much the same as individuals have responsibility towards individuals within a State. I was rather sorry to see that the Premier overlooked to point out that Canada has been taking a leading part in the world in following out some of the suggestions mentioned by him, in that this country has made hundreds of millions of taxpayers' dollars available to the nations of the world, not to supply food to the hungry in itself, as one project, but to take the under-privileged nations of the world and to assist them through technical training, through funds, through direction, to build up the economy of those nations in order that they, too, will have assistance in building their nations to an economy position.

**Premier Douglas:** — Will my hon. friend tell me when they spent these 'hundreds of millions'?

**Mr. Cameron:** — Just a minute. I mean that we have used that principle; so the principle he speaks of is not new. Canada has been taking a leading part as a nation, as well as Canadians individually, in assisting the under-privileged nations of the world. I want to read you some of the contributions that we have made as citizens of Canada, as taxpayers, through the National Government for this very humane purpose of assisting under-privileged nations to establish a better economic climate and to raise themselves up. I just sent to the Library, because I was unprepared to say anything, and asked for a pamphlet or two on the Colombo Plan, and the aid which Canada has given, and I find (I haven't had time to read it all), but just a preliminary glance at it from the beginning of the Colombo Plan in 1950 through April, 1957: "Canada will have made available a total of \$162.4 million for capital and technical assistance projects in south and south-eastern Asia.

**Hon. R.A. Walker:** — Pretty picayune, pretty picayune!

**Mr. Cameron:** — The contribution to the Colombo Plan approved by the Canadian Parliament for 1956 was \$34.4 million, an increase of \$8 million over that for the proceeding year, and, in addition to that, Canada made a special \$5 million grant of wheat to Pakistan (the Premier mentioned Pakistan), from the sale of which counterpart funds have been generated for the use in agreed development projects.

I am not going to give you all the details, but I want to give you some of the capital assistance. As of mid-1956, the total number of capital projects, large and small, to which Canada had contributed under the Colombo Plan, amounted to 60. Since the publication of the 4th annual report of the Colombo Plan's Consultative Committee in October, 1955, Canada has assisted, or agreed to assist, a number of new projects in India, Pakistan,

**April 9, 1957**

Ceylon. Financial assistance allocated by Canada to these countries as at September 30, 1956 was as follows:

Indian	\$18 million
Pakistan	\$53.8 million
Ceylon	\$8.7 million

Then you turn over to the technical assistance – trained technical men whom Canada has sent over to these nations to assist them in building up the nation. Four hundred and ninety-two fellows and scholars have received training in this country up to June 3 – both our own and technicians which they have sent to this country for training. On that date 173 were still in Canada, 109 of whom had arrived in the past 12 months for practical courses in agriculture, engineering, medicine, business and public administration, co-operatives, marketing and a wide variety of other fields. Trainees have come from the following countries: Burma 12, Cambodia 2; Ceylon 49; India 159; Indonesia 57; Malaya 4; Pakistan 162; Singapore 4; Lebanon 39. These have come to us and we are assisting them to train as technicians to go back to build up and develop their home nations. Of the 74 Canadian experts sent to them under the Colombo Plan since 1950, 37 are in the area at present. These men have been assigned to give technical assistance, paid for by Canada, to Burma, Cambodia, Ceylon, India, Indonesia, Malay, North Borneo, Pakistan. I could go on and on. Not only that, but they have taken a definite interest in specific projects, after surveys were made, and it was agreed by the Governments and leaders of those nations, that the particular project would be in the best interests in building up these under-developed and under-privileged nations. Then when it was agreed upon as to what particular projects would be of the greatest assistance, we sent in our technical men and our dollars in order to construct those projects. We have projects in India – electrical equipment \$2½ million; Bombay Transport Corporation – trucks, buses and automotive equipment \$4,365,000; steam locomotives \$2,000,000; electrical equipment \$1,200,000. Then you come to assistance in local causes. Here you come down to locust control and equipment; for Beaver aircraft and spraying equipment, we supplied \$460,000; Diesel generator for rural electrification, \$3,300,000; Canada-India Atomic Reactor, \$5,000,000.

And you can go on to Pakistan. You would think, Mr. Speaker, it reads like a budget of a nation itself. The Cement Plant, engineering services and equipment — \$5,750,000; aerial resources surveyed, so they can survey the resources of the nations \$3,124,000; experimental farms, locust control, electro projects, equipment and engineering services and construction contract to Pakistan; \$24,440,000.

**Hon. Mr. Walker:** — All less than 2 per cent of the defence budget.

**Mr. Cameron:** — I am not going to say any more. Canada is spending huge sums of money . . .

**Hon. Mr. Walker:** — Two per cent of the defence budget.

**Mr. Cameron:** — . . . under her contracts and agreements in the Colombo Plan to assist these nations in their development projects, and is helping to assist in training technicians and experts. They are going into individual projects. I wanted to say that so that this Legislature would not

have any impression that what the Premier said about the nation assuming responsibility was something new . . .

**Hon. Mr. Brockelbank:** — Talk to your colleague; she doesn't believe in it.

**Mr. McCarthy:** — You talk to your own.

**Mr. Cameron:** — . . . something that had never been done; and we stand on this conviction that, while there is room for the nation of Canada to place some of her resources at the disposal of an organization to build up the undeveloped nations, it still rests and it is still guided by the principle of the relationship between the individual and his attitude. By assuming that the State take over all the responsibility you are denying that free action and the concept of the personal relationship of the person himself within your society. This motion was to follow that through, in spite of what Canada is doing, to give an opportunity to the individual persons from the generosity of their hearts to make further contributions towards them. That is why I think the amendment defeats the purpose, because it is asking that the State take over further responsibility. For that reason I cannot support this amendment.

**Mr. W.J. Berezowsky (Cumberland):** — The other day in my municipality we had a catastrophe and the local citizens of the community chipped in with their dollar bills and their five-dollar bills to try to re-establish this particular individual; but this could not have been done until such a time as the municipality came to the aid of that person and so he has been re-established. I think that comparison can be used in this situation. With all that Canada has done, I think as somebody has said, it has been very little and much more could have been done.

The question is why has it not been done? Is it because we are unable to do so? Are we unable to help these depressed nations and people overseas? Or is it because we haven't found a way to do it? In our local community we found a way, and I think the same parallel can be carried over to the nation.

It appears to me that the chief difficulty as to why Canada has not done more for the nations overseas is because of the fact that we feel, by putting more purchasing power into the hands of the people — because I presume that, if Canada took the wheat that would be required to assist these nations overseas, then there would be more money in the hands of the farmers, and the State, today, is afraid of inflation. I think that is the main reason; I cannot see any other. It isn't because they haven't the money. The money is there. As we all know, only a short time ago it was announced by the Minister of Finance of Canada that we had a surplus of around \$500 million, and the statement came over the radio at the time, from some individual (it might have been the Minister himself) who said that we have all this money and we don't know what to do with it. Now there is a quarter of the defence budget right there.

**Mr. McCarthy:** — You're doing fine!

**Mr. Danielson:** — Ask the Provincial Treasurer.

**April 9, 1957**

**Mr. Berezowsky:** — It doesn't matter what the gentlemen opposite think. The surpluses are there. We have been taxes to the limit, and even if we don't provide services for ourselves we still could survive. There is that money available and it always will be available.

I remember reading, just a few years ago, where the situation in one of the eastern countries was explained, particularly India. It was in the 'Reader's Digest', in which it was indicated that inter-national capital took out of that country 75 per cent of the wealth that was produced in India. And when we talk about what little we give back to India or to Pakistan let us not forget for a minute that the big corporations who have factories there, who carry on all kinds of activities in those countries, are draining considerable of the lifeblood of those people as profits.

**Mr. McDonald:** — Balderdash!

**Mr. Berezowsky:** — And those things cannot be forgotten. When we say we cannot do this or we cannot do that, we must remember what is happening in the world today. I think it is very commendable to bring a motion into this House saying that we, as individuals, though we may be depressed farmers with no money yet we have a little extra grain, should be given an opportunity to help individuals overseas. But how much more commendable it would be if we, as a nation which can and should assist its neighbours who are in depressed conditions, did it as a nation.

Therefore I cannot help, with the little understanding that I have of world situations and the feelings of the people overseas, but support this particular motion.

**Hon. C.M. Fines (Provincial Treasurer):** — There is very little that I want to say, but there are a couple of points that I think we should emphasize. First of all, as I see it, the chief difference in the motion moved by the hon. member for Saltcoats (Mr. Loptson) and the amendment introduced by the Premier, is that in the one case we would be asking the people of Canada who have now the lowest per capita income, to give even a share of that small amount; whereas the amendment of the Premier would make this the responsibility of all the people, and after all why should we ask the group of people that, today, have the lowest income to give a portion of that income . . .

**Mr. Loptson:** — Mr. Speaker, on a point of order, who is suggesting that the low-income people should contribute wheat?

**Hon. Mr. Fines:** — Oh, Mr. Speaker, it is the farmers — the motion says very clearly. Surely he read his motion before he made it. It says:

“That this Assembly, through the appropriate channels, urge the Government of Canada to make it possible for all those who believe in a policy of giving wheat away as gifts, or for foreign currency, to do so, in such quantities as their generosity dictates . . . ”

Who else has wheat but the farmers? Who else has it? How can anybody get it? Mr. Speaker, certainly it is the farmers. You know after I heard the hon. member for Maple Creek (Mr. Cameron), I thought he had convinced even the hon. member for Humboldt (Mrs. Batten) that she had been completely wrong in her philosophy . . .

**Mr. McDonald:** — Nonsense!

**Hon. Mr. Fines:** — . . . when she pointed out, for example that we were placing the State above the individual; that the individual had a heart and a soul; when they gave anything of their own free will they were giving not only the wheat or food or whatever it might be, but they were giving their hearts with it; whereas if the State inflicted it upon the people it would be merely a mechanical process. then we had the hon. members for Maple Creek tell us how much has been given by the Government to date. He pointed out somewhere in the neighbourhood of \$160 million-odd had been given in the last seven years – roughly \$25 million a year. May I point out, Mr. Speaker, that \$25 million a year is less than a half of one per cent of the total Canadian budget today, a budget of \$5 billion. The amendment of the Premier asks that we set aside, not necessarily from the defence expenditures, but an amount equal to one-quarter, that is \$450 million.

**Mr. McDonald:** — Read it, read it.

**Hon. Mr. Fines:** — Where will we get it? Yes, I shall read it. The motion is:\

“That the Canadian Government be asked to set aside each year an amount of not less than 25 per cent of the defence expenditures . . . ”

**Mr. McDonald:** — That’s right.

**Hon. Mr. Fines:** — Mr. Speaker, again, it says: “an amount of” – it doesn’t say “from”; \$450 million a year . . .

**Mr. McDonald:** — Mr. Speaker, on a point of privilege, it doesn’t say that at all. It says “an amount of not less than 25 per cent of the defence expenditures.”

**Hon. Mr. Fines:** — Mr. Speaker, it doesn’t suggest that the defence expenditures be cut by a single five-cent piece.

**Mr. McDonald:** — Well, why mention it then?

**Hon. Mr. Fines:** — Because that is one way that we can determine the total value – one quarter of \$1,850,000,000 is \$450,000,000. Where are we to get it? Why the surplus this year alone would pay for it, the surplus of \$500 million. May I say that all the Premier is doing – I cannot see why my hon. friend from Humboldt should say that there is such a vital difference between the philosophies of the C.C.F. and the Liberal parties . . .

**April 9, 1957**

**Mrs. Batten:** — Who said it was a vital difference?

**Mr. Cameron:** — The Premier said that.

**Hon. Mr. Fines:** — He spoke of the different philosophies between people, not necessarily between parties. It was my hon. friend who pointed out that it was a different philosophy between the Liberal and C.C.F. parties. And then, on the other hand, we have the hon. member from Maple Creek coming in here and proving beyond a shadow of a doubt, with facts and figures, that a Liberal Government at Ottawa has that very same philosophy as the C.C.F., except in the amount . . .

**Mrs. Batten:** — Mr. Speaker, on a question of privilege . . .

**Hon. Mr. Fines:** — In other words, we would be just a little bit more generous.

**Mr. McDonald:** — With somebody else's money.

**Hon. Mr. Fines:** — We have no quarrel with the policy of the Colombo Plan. May I say that . . .

**Mrs. Batten:** — Mr. Speaker, will the hon. member allow a question?

**Hon. Mr. Fines:** — If it's a nice one.

**Mrs. Batten:** — It is a nice one. What percentage did the generosity of the Provincial Treasurer allow for foreign affairs, for aid to under-privileged countries?

**Hon. Mr. Fines:** — Oh, Mr. Speaker, that is the very objection that I have to what is suggested here by the hon. member for Saltcoats. He wants one section of the community to pay for it; and I object to that. We are not only residents of Saskatchewan; we are, above all, Canadians, and what we do in Saskatchewan should be done in all parts of Canada; and I am sure that the people of Canada would approve of this as a means of ensuring permanent peace.

Mr. Speaker, I cannot support the motion, but I will support the amendment.

**Mrs. J.E. Cooper (Regina City):** — Mr. Speaker, I do not want to prolong this very much but I must say that the philosophy from the member for Humboldt (Mrs. Batten) left me dumbfounded — so much so that I am almost speechless, because I thought that kind of thinking went out when the twentieth century came in.

If I heard her correctly what she is suggesting would mean that we would do away with all foreign aid programs, with all welfare programs, and leave the rich to help the poor.

**Mrs. Batten:** — Mr. Speaker, on a point of privilege, the hon. member from Regina did not get me correctly. I was talking about the philosophy.



**Mrs. Cooper:** — Well, I am very grateful that I didn't. I would hate to think that you meant what I thought you meant, and what I think you said.

**Mrs. Batten:** — I hope you are not saying what I think you are saying.

**Mrs. Cooper:** — It seems to me that we had a great many generations seeing how it worked out to leave charity to the rich helping the poor and leaving it to the conscience of the rich man as to whether or not he would help the poor. We had a situation for years where it was left to charity to look after neglected children; some children got looked after, other children suffered and starved. I thought we had grown out of that sort of thing. I thought democracy had reached the place where we realized that the greatest thing you can learn as a member of a democracy is that it is a co-operative responsibility for all of us to work together in the most intelligent manner we can to find – not a hit-and-miss thing left to somebody else's conscience; but it is on the conscience of all of us to help everyone who needs help when they need help. To suggest that foreign aid programs could be left to individual charity and particularly one group of people, seems to me about the most ridiculous thing I have ever heard expressed in this Legislature. If we can teach the people co-operatively that we are our brother's keeper, that it is more intelligent to pay a certain amount in taxes and that the person who has the most should contribute the most, that is the intelligent way to handle the affairs where needs are to be met and where charity is concerned. Any other thinking I still say, Mr. Speaker, belongs behind the twentieth century.

**Mr. McDonald:** — That's Socialism for you.

**Mr. B.L. Korchinski (Redberry):** — Mr. Speaker, I would like to say a few words in this discussion. I think that the member from Regina (Mrs. Cooper) has democracy confused with Socialism, and they are two different things. They are absolutely opposite.

There is only one point that I wanted to bring out that has not been mentioned. I realize that most of the ground has been covered, but there is one point that I think is very important in this whole thing, and it is the fact that the Government of Canada, or the Government of this province, is nothing else but the people of this province. They are individuals that make up this Government. Now if we are going to pay as a nation that means that every one of us has to contribute. That means that a woman who lives in a garage and is very poor has to take out of her meagre income an amount to contribute to some people who are just as poor as she is. I could stand here and enumerate hundreds of people in my constituency who are very, very poor, and to ask them to contribute out of the very little that they have is, I think, unjust.

What this resolution was trying to bring in (I thought it was a wonderful thing) was to just allow the people who are talking so much about their generosity an opportunity to practise it. That was the whole thing, and this debate shows more than anything else how the C.C.F. party is scared to be put up against a wall, whether they are going to come across with what they have been preaching. Their amendment is

**April 9, 1957**

nothing else but to cover up; it is a smokescreen. Now boys, either put up or shut up. that is exactly what this motion is asking, and the amendment they are introducing is to cover themselves up; because we are prepared on this side to make contributions if the means is made possible, out of our meagre means. There are people in this province that could. This is not going to be a law.

**Hon. Mr. Willis:** — How many thousands?

**Mr. Korchinski:** — We are not asking the Government of Canada to make it compulsory for the farmers to donate some of their wheat. We are just asking them to make it possible for those who wish to donate some of their wheat. But this is what this resolution was meant to do – to see whether the C.C.F., who have been preaching this donation, were going to do anything about it, and they are not prepared to do so because their amendment shows very well that they are not prepared to do anything about it. They are willing to tax the poorest in this country; that is exactly what it is. A man with 100,000 bushels of wheat will contribute only as much as Mrs. Brown, who lives in a garage, who contributes 10 cents. I don't think that is right. So this is just one simple thing, and this debate just shows the difference between men and boys – that is all it has shown. Even on this little resolution the C.C.F. is trying to make political hay. I certainly am not prepared to support the amendment.

**Mr. A. Loptson (Saltcoats):** — Mr. Speaker, it is quite evident that the hon. Premier is true to the philosophy of C.C.F. generosity: as long as you pay them they will give it away. This wasn't the purpose of the motion, Mr. Speaker, in the first place. The purpose of the motion was to give somebody that had a surplus an opportunity to give it away for a good cause. The Premier suggests that that should not be done, that I should not have the privilege; if I want to give 1,000 or 10,000 bushels of my grain, I haven't got that privilege. Under the present system I haven't even got the privilege of selling it . . .

**Hon. Mr. Walker:** — C.D. Howe said . . .

**Mr. Loptson:** — . . . because of my quota. Now it might be interesting to the hon. member on the other side to know where the surplus wheat is and who has it, particularly in the province of Saskatchewan. I think I am privileged to speak on that because the Provincial Treasurer spoke on it – of the poor farmer who had very little wheat who was compelled to contribute to this proposed donation. Well now it might be interesting to the hon. Premier to know that in Crop District 3 of the province of Saskatchewan (Just one crop district) they have pretty nearly 24 per cent of the total wheat acreage in Saskatchewan. Their average yield during the last six years has been in the neighbourhood of around 22 to 23 bushels to the acres. That would indicate that half of the acreage below the 23 would average only about 11½ bushels to the acre, with the result that the other 25 per cent would average over 35 bushels to the acre.

**Hon. Mr. Walker:** — A great approach to the statistics!

**Mr. Loptson:** — The other 50 per cent would have 23 bushels to the acre. Their quota has been in the neighbourhood of 15 bushels to the acre. That means that they have been accumulating wheat

for the last six years to the extent of millions of bushels, or at least a million bushels in that one crop area. Now is it unreasonable to presume that these people, these farmers who have this excessive surplus would be prepared to contribute a reasonable amount of this God-given surplus that they have, so much more than the average fellow-citizen in that area? Let me take Crop District 6, with No. 3, they have 40 ½ per cent of the total wheat acreage in the province of Saskatchewan. Are we proposing that the poor farmer is going to contribute to this fund, as the hon. Provincial Treasurer said? No, Mr. Speaker, that is not the purpose of the resolution. The purpose of the resolution was innocent and honest in its purpose. I, myself, would have been prepared to contribute to it if I had the opportunity, and I am sure that the Premier did not speak for all the farmers who have this surplus in Saskatchewan when he denies them the right to make this contribution.

**Premier Douglas:** — When did I deny them the right?

**Mr. Loptson:** — You denied them the right by your speech and by the moving of your amendment. the latest record from the Pool indicates that the average yield over the 32 years has only been 13½ bushels to the acre; in 1955-56 they sold more than the average of 16 bushels on their farms which has been accumulating for a number of years. Now I submit in all seriousness, Mr. Speaker, that this is just a typical C.C.F. camouflage. they don't want these farmers to give anything away. They want them to keep this surplus so that they can go around the country and say what a terrible Government they have in Ottawa.

**Hon. Mr. Walker:** — You are admitting it now.

**Mr. Loptson:** — And in view of the fact that this Government and those who have been voting for this give-away policy have contributed considerably to the lack of sales that we have been having during these past two years, particularly these last three years . . .

**Hon. Mr. Erb:** — Nobody believes you.

**Mr. Loptson:** — . . . I think it only reasonable that these men should contribute now something of their surplus for the cause that they have been indicating that they were honest and sincere about.

Now, Mr. Speaker, when this amendment came in he might have drafted it a little differently, but he certainly made it impossible for anyone who thinks of the defence of this country to vote for it. That we should cut down our defence expenditure by 25 per cent for any purpose, is something I am absolutely opposed to; and I, for one, am certainly not going to support that amendment.

The amendment (Premier Douglas) was agreed to on division by 31 votes against 15.

The question being put on the motion as amended, it was agreed to by 31 votes against 15.

April 9, 1957

## CROP INSURANCE PROGRAM

Moved by Mr. Brown (Bengough), seconded by Mr. Thiessen:

“That this Assembly recommends that the Government of Saskatchewan commence negotiations with the Federal Government with a view to launching an experimental all-risk crop insurance program in representative areas in the Prairie Provinces, co-operation to be sought at all stages from the Government of Manitoba and Alberta.”

**Mr. A.L.S. Brown** (Bengough): — Mr. Speaker, I was wondering if the Assembly would be prepared to take this motion as read; it is self-explanatory. If so I am prepared to move the motion.

The question being put, it was agreed to unanimously.

## SOUTH SASKATCHEWAN RIVER DAM

Moved by Mr. Wood, seconded by Mr. Howe:

“That this Assembly reaffirms its belief in the South Saskatchewan River Dam as a project which would be in the national interest and of great benefit to the province of Saskatchewan; And further, that this Assembly, through the appropriate channels, urges the Government of Canada to begin construction on this project immediately, on the basis of the offer of the Government of Saskatchewan to pay 25 per cent of the cost of the dam itself and 100 per cent of the cost of the main reservoirs, canals, irrigation works and power installations.”

**Mr. E.I. Wood (Swift Current)**: — Mr. Speaker, much has been said over the last 20 years about the South Saskatchewan River Dam project, and reams of paper have been wasted in writing about it. But at this time I feel we should look again at the proposition, and review some of the things that have taken place in this regard. I am sure you will be able to accuse me of repetition, and you will be able to say that you have heard all of this before, for the simple reason that we of the C.C.F. party have not changed our stand during the year, only inasmuch as we have been forced to by the chameleonic policy of the Ottawa Government. I don't mean to give any exhaustive discourse on this thing, but I would like to revert our memories to a few of the small things which have taken place, and some of the things that are involved in the value of this Dam to Saskatchewan and to Canada as a whole.

To begin with, I believe that a dam at Coteau Creek, which is just north of the big bend at Elbow, big enough and high enough to impound

some 8 million acre-feet of water, would be of great value to the province of Saskatchewan. These days we have tremendous demands being made upon the Government of Saskatchewan, demands for education, health services, roads, and aid to our elderly people. the only way these things can satisfactorily be met is by spreading the base of our taxation, and I know of no better way this can be done than through this matter of the building of the dam on the South Saskatchewan River. It would be one of the things which would be of great assistance to us in broadening our economy in such a way that we can, at various times and under different circumstances, be able to produce the funds that we need for the maintaining of these very necessary services.

Let me first look at what this dam will mean to agriculture alone. In the area that would come under the irrigation ditch there would be comprised some 430,000 acres which would be enough to supply perhaps 2,700 farms. Now the very bringing to our agricultural people this amount of new opening would in itself, be a wonderful thing, the finding there would be the matter of relaxing the pressure that is upon the farming industry in other places, where we have such land problems as we have at the present time. The farmers are not able to increase their holdings because the land is just not there for them to have. Saskatchewan has just about come to the end of the new land that we have. There is a little land in the north, but very little; and we find in these times there is a lot said about economic units and the necessary acreage that a man must have on this dry farming in Saskatchewan in order to operate successfully, but that land is not there for him to obtain. the opening of this 2,700 new units would, in many cases, perhaps take men off the farms in the dry-land areas and put them on these kinds of farms, thus releasing the acreage they are now maintaining to help someone who is now on a substandard existence to be able to increase their units to the size that they would be able to live and maintain a satisfactory way of life.

In so doing, it would not just simply add to the amount of the tremendous grain stocks that we have at the present time. We don't need to put more opposition and more competition in the way of our farmers; they have enough at the present time. Our western farmers have to compete in raising and selling their grain; they have to compete with farmers all over the globe. Some of them are not on a very high standard of living, either – the ones they have to compete with in other parts of the world. Thereby, when we are competing with that type of person we have maybe to bring our standard of living down in something the same way if we are going to compete; and not only that, but at the present time we are competing with the treasuries of a good many of these nations abroad.

No, the building of this dam here on the South Saskatchewan River would not place extra competition in the wheat and grain-growing field with the farmers at the present time. Wheat is not one of the crops that could be raised there satisfactorily, or profitably, in irrigation country. The crop that would be raised there would be more along the lines of beets, and vegetables and increased legumes for hay, and the farmers in that area would go into more animal products, which would not be in competition or adding to the tremendous wheat and grain surpluses that we have today.

The building up of this area in the matter of irrigation would help to diversify the farms that we already have. In Saskatchewan

**April 9, 1957**

there is not the livestock on the farms there should be. One man I heard say recently that, of the cattle that are shipped out of Saskatchewan here, two-thirds of them are only the feeder type. the farmers are not keeping cattle; they are not feeding cattle the way it should be on our farms at the present time. We need to have more diversification in our farming. It would help us not only to finance the farms at the present time, where they cannot sell their grain, but it would give us more stability in our farming operations that would affect not only the individual farmer, but the whole economy of our province. Feed supplies are one of the main things that have held us up. I know of what I speak. At the present time I do not have any cattle; I have gone out of the cattle business. I have had 100 head of cattle not long ago, and have raised quite a few livestock when I lived out in the country and came from a community that raises a good deal of livestock. I know that for many years I have had to haul feed, not perhaps so much for myself – I was one of the lucky ones; but I have had to haul feed in there for several miles for people who were unable to supply feed for themselves. I have seen cattle going out of that community at ridiculous prices because the feed could not be found for them, and I have seen cattle sold there, in comparatively recent years, because feed was not available. The finding of a green spot like this in the centre of our province where feed supplies were readily available would mean a great deal to the diversification of farming, and of putting cattle back on the farms of Saskatchewan for a good distance out around beyond the portion that was actually under irrigation.

The lack of feed supplies has been a real hindrance to the keeping of cattle on our farms in the past, and the placing of this area under the ditch would be a big assistance in that way. We would find that with this area of irrigation, it would mean that not so much as at the present time would we have all our eggs in one basket; it would mean that in times of hard times, not only in the matter of drought when we are unable to get the rain in order to grow our crops, but as at the present time when we have not the markets to sell our crop – the having of a certain portion of our economy that was not tied up in the wheat business would be of real assistance to us, to finance the services that we need to keep our province in satisfactory operations. This drought – we may think that is all behind us now; we have not been bothered too much with them in the last few years; we have had plenty of rain and I am certainly not a ‘calamity howler’ but there are indications that perhaps these times could come back again. I am sure there is no one here that ever wishes they would, but it could – it remains a distinct possibility that dry years could come back upon us just as they did in the ‘thirties’, and having a portion of our province turned over to this type of endeavour would greatly strengthen, and perhaps save the services that we need – the laying of roads, our medical and educational services; it could be a great help in stabilizing this in the time of drought.

Then there is the matter of power development. Power development is very necessary in any province. It is the yardstick of the development, and Saskatchewan is by no means any exception. If we are to have an increase in the development of our industry; if we are going to continue to have the amenities of life extended to the rural areas, we must have an extension of our ability to produce electrical power. Under the program of the present Government our industries are being increased and the electricity is being taken to the rural areas to the extent of increasing our need for electricity by 20 per cent per annum. The time is coming when this may develop (as it no doubt will) and it will perhaps put a strain on our resources for producing this electricity.

It is contemplated that power installations could be installed for production of an annual output of 525 million kilowatt hours, plus another 100 million kilowatt hours which is more or less of a secondary output, which would remain as a firm output until the irrigation part of the dam got nearly into full swing. This is a contribution to our provincial economy which cannot be disregarded.

It is true that, in the anticipated plan at Estevan, perhaps three times the installed capacity could be built up for less than twice the cost of the proposed power installations on the South Saskatchewan River; but, as our Premier pointed out, the other day, this is with reference to capital costs alone. There will be no fuel costs in the production of electrical energy from the South Saskatchewan plant. Then, too (the Premier alluded to the fact, the other day), the amount of energy that can be produced in the Estevan area is limited by the amount of water that is available in that area for cooling purposes. In a growing economy such as ours, we will find that we will have need of all of these available sources of electrical energy, and this South Saskatchewan River development will be a very welcome addition.

Going hand in hand with the production of electrical energy in our industrial development, here in southern Saskatchewan we would have put together a tremendous supply of water, plus electrical energy, plus natural gas which, no doubt, will be brought into that area very shortly. Then, in connection with the growing of vegetables and animal products, I deem it practically a certainty that we would have canning and processing plants or industries when we have all those things brought together in that way. Not only that, but the building up of a thickly populated and prosperous area in the centre of our province, would give increased demand for services and goods throughout our province. I fully expect that, even in our city of Swift Current, which is not too far removed from that area, there would be a certain amount of this increased activity, which would be beneficial to our community.

As I have said before, this is indeed an opportunity for us to increase and widen our tax base, to take the burden for the payment for the services we require from the shoulders of agriculture, where it is mostly placed at the present time, and place it on the shoulders of those who would be more willing and more able to pay than our farming industry is at the present time.

There are many other benefits that might be derived from this project. When we think of that vast reservoir of water, which is raised in the neighbourhood of 200 feet above its present level, we cannot but think what this would mean for water supplies to such cities as Regina and Moose Jaw. I understand it would mean an annual saving of some \$150,000 to those cities in pumping costs alone, to say nothing of the huge capital costs, as these cities increase in size, they would have to put up for the installation of water resources. Besides the benefit to those larger cities, it will no doubt, be a great asset to smaller communities which border this district. Think what it will mean in the matter of flood control to the lower valley of the Saskatchewan River, in the northeast part of our province where we have annual floods in the lower stretches of the Saskatchewan River. Think what a lake of this size in the heart of Saskatchewan would mean for recreational resources. You have only to go into our country

**April 9, 1957**

around Swift Current on a good Sunday and see the crowds of people that park around such small oases as Clear lake or Lake Pelletier, to realize what really a dearth there is of proper recreational facilities there for farmers and others close at hand, in our province. This lake, with perhaps three or four or five hundred miles of shoreline right here in the centre of our province, with boating, fishing and other recreational facilities, would be hard to put a monetary value on; but it would mean quite a bit to the betterment and enrichment of the lives of our local population. Then, of course, there is the matter of tourists. A lake like this, which could, no doubt, be stocked with good fish and could be added to our already good Saskatchewan playground, would be an added inducement for American dollars to flow down such highways as No. 4 or No. 2 or No. 6 or No. 9.

Besides these advantages which the building of a South Saskatchewan dam would mean to our province, there are others which would affect Canada on a national scale. First, there is the matter of food production. They laugh a little about this nowadays, when they look at our tremendous stocks and supplies of wheat which are on hand at the present time, and it seems as though we need not worry about adding to our food production; but, as I have already pointed out, we have no assurance that this will always stay that way. The time could come when we would be glad to see even more wheat produced than we have at the present time; but again, as I have already pointed out, the food we are contemplating raising in this area would not be wheat and such things; it would be a matter of animal products and vegetables, and other things along that line.

Canada has been, and is, expanding. If it keeps up the present rate of expansion and growth, undoubtedly it will be only a very short time before we will have at least 20 million people in Canada. As it expands, therefore, steps have to be taken to provide foodstuffs of the most extensive variety for our people. The areas in which this sort of food is presently being produced are limited, and a forward-looking government must be able to look ahead and plan for the future expansion of our population. The thing is that this expansion in population which we have in Canada is by no means limited to Canada. Beyond our borders and around the world, we find the population of the world is growing by leaps and bounds, and the time could easily come in the foreseeable future, when not only the type of food we need here in Canada would be scarce and not too easily obtained, but it would be practically impossible to import it from abroad. I think it is only good sound judgment on the part of our national Government to go ahead and make plans for increasing the areas where food of the kind we are needing, the kind that is necessary for our everyday life, can be produced.

Besides its possibilities of increasing our food supply, an area of this kind, with some 2,700 farms, will mean quite a bit to our economy generally. It is not going to double our national production by any means, but these farms, as we must know, will not be troubled by the ups and downs of the wheat-growing economy as we have it at the present time, and would be a stabilizing factor in the economy of Canada. It is also quite evident that the economy of Saskatchewan would have a general toning up; and not only Saskatchewan. this 'shot in the arm' by the building of this dam and the continued activities as a result of this green spot in the centre of Saskatchewan, would be of real benefit to all of Canada in the matter of increased industrial activity.

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The stabilization of our farming industry, as I mentioned before, would also be of assistance beyond our borders. When, in Saskatchewan, we experienced those dry years and dropped out of the picture as the purchasing agent for Canada, it meant hard times in other places besides our own province, and



the stabilization of our provincial economy would be of great benefit outside of Saskatchewan, and would be in the national interest.

My remarks up to this point have left much to be desired; but I have endeavoured to give some of the reasons why the building of this dam is in the best interests of our province and also in the best interests of our Dominion. I would like to spend a few minutes looking into the reasons why this dam has not been built. It has been talked about being built for nearly 20 years. Mr. Coldwell, I believe, brought the subject up in the House of Commons back in 1938, and during the 'forties he was promised by representatives of our Federal Government that it would be begun in the very near future at no cost whatsoever to the Province. It was spoken of as practically a thing accomplished about which we did not have to worry; the plans were all made, and the money was as good as voted.

Then in 1949, Mr. Gardiner dropped a bombshell in the House of Commons. He said the Province would have to pay approximately half the cost of the building of the dam. The general proposition was that the Dominion Government would pay for the building of the dam itself, and everything involved above the dam, but the Province would be obliged to pay for power installations and the irrigation facilities below the dam. This was an entirely new thought in the House of Commons. Even Dr. McCusker, who was then the Federal Member for Regina, was rather caught off-balance. He said, and I quote from Hansard, page 794 of the Second Session, 1949:

“I have heard the hon. Minister and other people discuss these irrigation matters in western Canada for a number of years. I heard the hon. Minister discuss it during the last election, and I also went out and discussed it. It was always our understanding that the main projects such as the dam at Elbow would be purely Federal projects. The hon. Minister never tried to create any other impression.”

That was indeed a rather hard blow to us here in Saskatchewan, but our Provincial Government was in real hopes that, by their acquiescing and agreeing to shoulder the responsibilities of these installations, the dam would be completed. but, as you know, it did not work out that way.

A Royal Commission was set up to study the dam, and brought in their report which was not entirely favourable to the building of it.

Meanwhile, Mr. Gardiner tried to excuse himself for this delay in tactics by bringing out the matter of the disagreement as to water rights between the provinces, although when the thing boiled down to the bottom, it was found that this dam could readily and would readily be built without an agreement by the province, if such a thing was necessary. After delaying things along these lines, as has been well understood, the Federal Government came up with the idea that the very idea of any subsidization of power to the Provinces would be, indeed, a cardinal sin, and the Saskatchewan Government was asked to put a capital value on any savings that might accrue to us in the production of power as a result of having this dam built. In other words,

**April 9, 1957**

we were to base the production of electrical energy on the nearest and the cheapest known way that we could have of producing electrical energy, and put that down as how much it would cost us, and how much it would save us over the years, and pay in dollars and cents, at the present time, what that would mean to us.

It was felt, the Dominion Government pointed out, that they could not, by any means, subsidize public power for any of the provinces. Our Government here in Saskatchewan did not like this idea, but they wanted to build this dam. I want to impress upon you that our Government here in Saskatchewan has always continued to wish to build this dam, so they reluctantly went along with this in principle, and offered to pay a certain proportion of the cost of the dam as the electricity was produced. It was very difficult to estimate what this electricity was going to be, so they were willing to pay as the electricity was produced. This offer was refused, and thereupon our Saskatchewan Government offered to pay a certain flat sum in lieu of the anticipated savings in the production of electricity. This again was refused, and our men at Ottawa insisted that Saskatchewan agree to the payment of percentage of the cost. Paying a certain percentage of the cost was no doubt perhaps, a fair way, if you look at it as being the same as paying a flat sum; but, by and large, the whole thing is very hard to ascertain. If you take the price that you are able to put upon the value accurately to a certain flat sum; but when you try to translate a certain flat sum into percentage of the cost of the dam, and if the cost of that dam should increase as the thing is being built, it could add up that you are not only paying for the savings that might accrue to the province in the matter of electricity but you are also paying a subsidy on the cost-price of the dam, and that has never, even as yet, been brought forward as the right thing to do in Federal—Provincial relations in regard to irrigation matters of this size and type.

Our Saskatchewan Government has even been willing to do this, however, and they have agreed (as I understand it) to settle by paying 25 per cent of the cost of the dam. But then we go on from there. Agreements were brought here in December, 1954, whereby it was proposed that the Provincial Government pay 25 per cent of the cost each year as it came up – not the flat sum for the full cost of the dam, but 25 per cent of whatever was spent during any given year during the building of the dam, one-half in cash and the rest in treasury notes. This was the proposed agreement in 1954, but, in spite of that, since that time we have been asked to pay our 25 per cent each year, cash on the barrelhead. Well, this has been agreed upon. Then comes a matter of penstock. When a dam is being built, the water must be diverted, and the method usually used is to build diversion tunnels which are later used as penstocks, when it comes to the production of electrical power from that dam site. These penstocks could be considered to be part of the dam, or they are more or less part of the power installations, and when this matter was first discussed, it was agreed that the part of the cost that our province should maintain would be 22 ½ per cent in view of savings in electricity production, but allowing for a certain proportion of the costs of penstocks. That is where the 25 per cent came in. But now we are being asked not only to pay the 25 per cent, but also the cost of the penstock. It just goes on and on and on; it seems as though there is no end to the amount of what we are being asked.

It appears to me that we are not only being asked to build the irrigation part of the dam below the dam and all the installations in connection with it but we are being asked to pay for any profits that might accrue to us, because of the dam, in the production of electrical energy; but also no doubt we are being asked to subsidize the building of the dam itself.

The latest figures we have are these from the last P.F.R.A. estimates which were issued in 1953, would indicate that the province is paying approximately \$59 million for the power and irrigation work plus 25 per cent of \$80 million of the cost of the dam itself, or a total of \$79 million to approximately \$60 million by the Dominion Government. We have come quite a long way in the last 10 years from the dam that the Dominion Government was to build in Saskatchewan – free of charge!

I have perused the correspondence which the Premier tabled, last Thursday, and as nearly as I can fathom it, we were being accused of evading the issue, shying away from trying to prove that this dam is in the national interest, and failing to show our sincerity by not putting up our share of the costs, like men. It is 'us' they are talking about, mind you; not the Dominion Government but us! The Premier pointed out in this correspondence that they have neglected to note that we have presented a brief to one Royal Commission and two to another Royal Commission, and have gone forward steadily in accepting increased demand after increased demand that was made to us for us to pay a larger proportion of the cost of this dam. Meanwhile, I have noticed that the Prime Minister made the statement in the House of Commons that the St. Lawrence Seaway project would save the people of Ontario at least \$25 million per year in reduction of power costs alone. Our Federal Government is also proposing that Federal money be used to finance electrical power produced in the Maritimes, and that the Dominion Government would build the hydro-electric installations on the Columbia River for the British Columbia Government. Why then have they been so hard to deal with over a little power production from our South Saskatchewan River?

Again let me point out that in this large report that was laid on our desks, the other day, from the Royal Commission on Agriculture and Rural Life, it is stated that, in their opinion, after giving the matter some scrutiny, the south Saskatchewan River dam was an important development, very necessary to the well-being of Saskatchewan and the Dominion. They also stated that, in their opinion, a proper division of the costs would be \$85 million for the Dominion and \$50 million for the Province.

I think it is time we served notice on the Federal Government that we have had enough of this game of hide-and-peek, that we would like them to come out in the open and begin work on this project. If they can see their way to agree with the royal commission and give us a break, it is all the better as far as we are concerned. However, I think that, at this time, we should back the hand of our Provincial Government and show to all Canada that we are willing to go all the way in paying our share in the construction of this project, which we believe to be so important to the well-being not only of Saskatchewan but of the rest of the nation as well. Time is going by. Even were this undertaking begun tomorrow, it would be 30 or 40 years before it would be brought to fruition. It is needed now.

Mr. Speaker, I have much pleasure in moving this motion.

**April 9, 1957**

**Mr. G.H. Danielson (Arm River):** — Mr. Speaker, during the last five or six, or even seven years, this Saskatchewan River dam has been a contentious topic in this House, but I never heard anything as confusing as what I have heard this afternoon.

One thing is absolutely certain and it is that at no time has there been any agreement between the Provincial Government and the Dominion Government to share or not to share the cost of the dam. At no time has that ever happened. It is probably closer to consummation now than it has ever been before in the history of this dam. I know something about it. You tabled your correspondence here, and there are two parts to this thing. You have been playing politics with this thing for the last ten years; you are trying to continue to play politics with it, and you have reached the end of your rope right now. You have to come through now or else keep your peace forever after, and you are in the position now where you have to do it. You were the ones that stopped the consummation of that project many years ago, I think back in 1948, when you hired Cass-Beggs to report on that dam. You held the report as long as you could away from the public and away from this House – not only the public of Saskatchewan but away from the members of this House. I am not criticizing what Mr. Cass-Beggs did for you . . .

**Premier Douglas:** — Of course, you couldn't.

**Mr. Danielson:** — I said so once before this Session; but what I do criticize is the contention of this Government that they are in favour of the thing that they have gone out and knocked themselves, so there couldn't possibly be any agreement reached for the time being.

First of all, they wanted to find out what the ultimate cost of production of hydroelectric energy would be in comparison with other sources of power in this province, which could be used for the production of electrical energy. There was nothing wrong with that at all. Mr. Cass-Beggs gave them that information, and I think he is an efficient man and a good engineer. He gave them that and that would have been very good – but why didn't they come out and say so? In the meantime, they had been riding the Dominion Government harassing them in political debates every time they had an opportunity to do so, accusing them of not being honest, that they didn't mean what they say and all that sort of thing. In the meantime they went ahead and laid the plans and hired an engineer who made this report to them. They proceeded to go ahead and put into operation in this province the program which he advocated, and they turned this province over to him. There is no criticism on my part on that, Mr. Speaker; but there is such a thing as honesty and integrity even in public matters.

**Premier Douglas:** — Hear! Hear! It's time we had some on this.

**Mr. Danielson:** — And when the Government of Canada, through certain channels, got possession of the report of Cass-Beggs to this Government – he was allowed at the time to use all the information that the P.F.R.A. office in this province and in western Canada had gathered on this proposal, all the engineering data, all the estimates of cost and so on. He had that when he made his proposals and, using that information,

he made his report back to this Government. He stated then that the South Saskatchewan project by itself was not an economical project for power. As a matter of fact, he said there were two or three other sites that were cheaper. One of them was a hydro development at Fort a la Corne. He also said in his report that cheaper power would be available in the province by using the coal at Estevan. After all, only a limited amount of power is available from the proposed dam; but if the whole thing is built then we would get some 454,000 acres of land that could be irrigated, and in addition to that there would be a big reservoir of water. Mr. Speaker, it always seems funny to me, but the Provincial Government has always presented the Federal Government as the big black sheep in any deal with respect to this dam.

**Hon. Mr. Walker:** — Wolf! Wolf!

**Premier Douglas:** — Oh, oh!

**Mr. Danielson:** — And I would like to say this: — the Dominion government never promised that the dam would be built.

**Hon. J.T. Douglas:** — What about Gardiner? He did.

**Mr. Danielson:** — You can talk about Gardiner when you get out on the hustings.

**Hon. J.T. Douglas:** — I will.

**Mr. Danielson:** — I am sure you will. You always have, and I don't suppose you are going to stop now. Mr. Speaker, every time we get into a serious discussion about the dam in this House — and we have had a lot of discussions; I can remember us talking about this dam pretty well every session of this House since these boys over there got into power, and every time you get them into a corner something pops.

**Hon. Mr. Fines:** — That's right. Mr. St. Laurent pops!

**Mr. Danielson:** — Then they come out with some lengthy explanation and use big words that only an engineer can understand.

**Hon. Mr. Walker:** — The first time you have heard some of the words.

**Mr. Danielson:** — That may be so, but as I was saying, as soon as you get them into a corner something pops, and they immediately begin to abuse everyone in sight. Of course the Federal Government has been a very convenient 'whipping boy', but, as I said, Mr. Speaker, the Federal Government never promised that the dam would be built.

**Hon. Mr. Fines:** — But you just promised it.

**Mr. Danielson:** — Well, it will be built. I am quite sure that it will be built, but it will be built at the right time.

**Mr. Gibson:** — So that is where we are today.

**April 9, 1957**

**Mr. Danielson:** — I just want to say, Mr. Speaker, that there is more to this than just piling up the dirt and stopping the water. I have been around a lot, and I remember going down to some of the States where they have these dams. It was just a summer or so ago I was at a big dam in the States, at Fort Peck, and I and some others were looking over it. I had seen it before, but I was interested in seeing it again and so we were walking around it – and you know, Mr. Speaker, these big projects have a great fascination for us. There were two derricks up there, quite a way off, and they looked like two big windmills or something like that. I asked the young chap (and, by the way, he was the chief engineer) what they were doing there, and he said they were testing; and when I asked him what for, he said they were testing for seepage. That is what they were doing for several years after that dam was built. The tremendous pressure of water under that dam created seepage, and if that ever gets by or seeps through then the dam is gone. I remember another thing. When you take this Coteau Creek dam out on the Saskatchewan River, which is two miles north and four miles west of the Coteau Creek, it is very simple to drain the Saskatchewan River because there has been an old division of the river there for years and years gone by, and they have to drain the river to build the dam and the number of yards of dirt that the P.F.R.A. estimated that would have to be filled in after the dam has been built (you have to fill in the banks) was so many hundreds of thousands of cubic yards of dirt. The Commission that was appointed after the report checked all the data on the dam, and they estimated just double that amount of yardage of dirt in order to make it safe. With regard to the steel sheathing, in the first place it had been recommended to be one-quarter inch, but they recommended that it be three-quarter inch, and the amount of added weight of steel was estimated at 5,000,000 lbs. more; and the added cost almost \$2,000,000 for that one thing. That was their recommendation, and I am sure that we should not just pooh pooh this and say they don't know what they are saying. These men, who recommended this and checked over the whole thing before they reported back to Ottawa, were practical men, some of the best that could be found both in Canada and the United States, and we shouldn't disregard what they say. So when we consider what the cost of that dam would be on one really knows for sure.

Again let me say this: the Government of Canada will build that dam; they will build it in co-operation with the Government here.

**Hon. Mr. Walker:** — When?

**Mr. Danielson:** — Everybody wants that dam. It will make a lake about 137 or 140 miles long, and the height of the dam is 235 feet. The traffic route at Elbow which the Canadian National Railway built many years ago, will be 70 feet underneath the top of the water, and the railroad will have to be diverted away up there at Hawarden and routed 30 miles each of Elbow on the third meridian. That is where your bridge is going to be. That is the second dam and then your No. 19 Highway will have to be diverted over there. There are many things that the people do now know. There are going to be 30,000 acres of land in the Qu'Appelle Valley down to the third meridian that can be irrigated by that dam and that can be

added to the 450,000 acres which it will be possible to irrigate by the dam itself from its site almost up to Hanley, east about 15 miles of Elbow, and I really don't know what distance west, but it will be something similar.

I say again this political jockeying with the value of the dam has come pretty well to an end, and I think now they are going to play the deuces for all they are worth so far as this coming Federal election is concerned. I am going to say to the C.C.F. that sometimes they overplay their hand. I know probably more about the dam than many people here do, because I lived there. I homesteaded just six miles east of elbow. I know every foot of that ground along the river, and I know what I am talking about; and that dam will be built if this Government will come forward and play the game and say that they will come through and do so and so. Let them do that an, within the next year or two, we will have something definite to talk about when we are talking about this project.

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I am not going to say any more about it, because I didn't intend to say anything.

**Premier Douglas:** — Mr. Speaker, one thing of what has been said by the last speaker I agree with and that is when he sways that a good deal of politics has been played with the South Saskatchewan dam; it has been played by the Liberal party for 20 years. The only time they have ever taken a realistic stand is just before a Federal election or before a Provincial election . . .

**Mr. Loptson (Saltcoats):** — You started ten years ago.

**Premier Douglas:** — When the hon. gentleman says that there has been no promise to build this dam, let me just go over one or two of them. Here is a statement which appeared in the Moose Jaw 'Times Herald' on June 9, 1945, significantly enough, just before an election. the statement was by the Liberal member for Moose Jaw, Mr. J. Gordon Ross. He said:

“The Southern Saskatchewan – Thunder Creek irrigation project alone would undoubtedly contribute much to the prosperity of both our city and surrounding district whose interests are interlocking. This project will be commenced immediately the men and materials are available. It has been approved.”

This was 12 years ago. This is from the 'Star Phoenix', Wednesday, October 20, 1948, again getting close to an election. The Federal Minister of Agriculture speaking there, said:

“Most of the money would be provided by the Federal Government because it could not be expected that Saskatchewan, subject to drought, could carry the load of such a capital expenditure.”

**April 9, 1957**

The Saskatoon 'Star Phoenix' of October 21, 1948, quoted Mr. Tucker as saying:

“Mr. Tucker says that it is now up to the people of Rosthern . . .

There was a by-election on, Mr. Speaker!

“Mr. Tucker says that it is now up to the people of Rosthern to give their endorsement by electing William A. Boucher, the Liberal candidate, if they want the project proceeded with. He added, ‘You certainly won’t get anywhere by sending C.C.F.ers to Ottawa . . .’”

**Mr. McDonald:** — Hear! Hear!

**Premier Douglas:** — “. . . the election of Makaroff would be tantamount to repudiation of this great project.”

So they elected Boucher, and we still haven’t got the dam!

Now, Mr. Speaker, first of all the member for Arm River has again and again raised this question of the report of Mr. David Cass-Beggs, and when he talks about the mover of this motion being confused I don’t think anybody could be more confused than the member for Arm River, because he, in one breath, says that the report was a fine report, that he was a good man, and at the same time he seems to imply that somehow or other this report prevented the dam being built. the report, as he pointed out, . . .

**Mr. Danielson:** — Mr. Speaker, I don’t like him to put words in my mouth. What I want to say is this. I said that. Cass Beggs’ report pointed out that, if his advice was followed, the fact of generating electricity from the Saskatchewan river dam would be too costly and, therefore, as an irrigation project alone the expense was not justified. Now don’t twist my words.

**Premier Douglas:** — Mr. Speaker, nobody is trying – I don’t know how anybody could distort . . .

**Mr. Danielson:** — I know what I said . . .

**Premier Douglas:** — If the member will stop shouting and mumbling and roaring; if he will keep quiet until I am finished . . .

**Mr. Gardiner (Melville):** — What language!

**Premier Douglas:** — He has tried to give the impression repeatedly in this House and outside it that the report of Mr. Cass-Beggs had some harmful effect on proceeding with the dam. He has done it repeatedly. Mr. Cass-Beggs’ report was a perfectly proper report which pointed out that the South Saskatchewan dam by itself, as a power project, was not a sound investment by itself, and that there were other places, as has been stated again and again, where for less money more power could be produced. It was the



proper thing for him to report that. but he said that, as a multi-purpose dam, it was a good investment. Now that did not prevent the Federal Government from going ahead, because, as long as we were prepared to put in the power installation, and later prepared to pay a share of the cost of the dam, if it did prove that we had paid too much for the power installation and if it didn't give us a good return, the Federal Government wouldn't lose anything. Saskatchewan would be the one who would lose money. But, Mr. Speaker, looking at the value of the dam from the point of view of intensification of agriculture and industrial development, both of those things require the South Saskatchewan dam. That is why the South Saskatchewan dam is important, and that is why I said to the member for Saltcoats (Mr. Loptson), the other day, when he asked if it wouldn't be better to put this money into more plants at Estevan or Fort a la Corne, I replied that, in terms of power alone, perhaps; but in terms of intensification of agriculture and in terms of stabilizing our agricultural economy, the Government is convinced the South Saskatchewan dam is a good and a sound investment.

The member for Arm River said that we have never made a firm commitment to the Federal Government that we were prepared to go ahead with the South Saskatchewan dam.

**Mr. Danielson:** — You never did.

**Premier Douglas:** — Well, of course, he is absolutely wrong and he couldn't be more wrong even if he tried.

**Mr. Danielson:** — When did you make it?

**Premier Douglas:** — We made it in December 1954, when the Federal Minister of Agriculture placed before us a draft agreement setting forth the conditions — I have enumerated those conditions before and I can enumerate them again; that we would pay all of the cost of the main reservoir, canals, irrigation work, levelling of the land, power installations and 25 per cent of the cost of the dam itself, to be paid in annual instalment of one-half in cash and the other half in treasury bills. That was the proposal he put before us and we accepted it, completely and categorically; and, as I have told this House before, the following April, when the Provincial Treasurer and myself went to Ottawa to meet with the Minister of finance, the Prime Minister and the Minister of Agriculture, the Prime Minister told us that, irrespective of the fact we had accepted that offer, that we were prepared to sign the agreement on the basis of the draft that has been put before us, the Federal Government was not prepared, under the terms of that agreement or any other agreement, to proceed with the construction of the South Saskatchewan dam at that time.

I have here the statement which I issued to the press in Ottawa within two hour of meeting with the Prime Minister. Nobody has ever quarrelled with that statement, because I asked the Prime Minister before we broke up our meeting, "Am I correct in saying to the people of Saskatchewan that not only under the terms of this agreement, but even under any modifications of this agreement which we might be prepared to agree to, that you will not, under any circumstances at the present time, proceed with the construction of the dam?" And the Prime Minister said "yes".

**April 9, 1957**

The interesting thing is that nothing ever seems to happen about the South Saskatchewan dam far as Ottawa is concerned until we get close to an election. But then on 11 June, last, the Minister of Agriculture said in Estevan that the Federal Government was prepared to pay 75 per cent of the cost of the dam, and that we were the people who were holding it up, the Provincial Treasurer particularly. So I wired the Prime Minister under date of June 14 – I tabled this all in the House the other day and the members have it; but I wired him that the Rt. Hon. J. G. Gardiner had stated publicly at Estevan on June 11 that the Federal Government was prepared to pay 75 per cent of the cost of the South Saskatchewan river project. I also said, “The Saskatchewan Government is prepared to accept this offer if it is made with full authority of Federal Cabinet. Please confirm.”

What does my friend take that to be but a firm offer? What was the reply? The reply was:

“Re your telegram on South Saskatchewan River project, I understand Mr. Gardiner’s speech to which you refer contained no statement of any Federal offer.”

So we were back where we started. I tabled the correspondence the other day, and the member for Arm River says that we are probably closer to an agreement now than we have ever been, and I notice that the press are beginning to give that impression, at least the newspapermen from Ottawa who write for the Sifton papers. And I notice in this morning’s ‘Leader-Post’ in the editorial where it said, speaking of the various proposals, commenting on the royal commission of Agriculture and Rural Life and the report on farm income, it says:

“This alternative proposal landed squarely in the middle of the top-level negotiations by correspondence between Prime Minister St. Laurent and Premier Douglas, which have reached a point where a start on the project may not be far away.”

Mr. Speaker, the project is no closer to a possible start now than it was when we met Mr. St. Laurent in April of 1954. Look at the facts.

**Some Opposition Member:** — No quotes?

**Premier Douglas:** — Looking at my wire of June 14 the Prime Minister had to do was to wire back and say “Yes, that 75 per cent is a standing offer”; but he didn’t then when I wrote him here recently asking him if he had changed his mind and was prepared to go ahead, this is his letter of March 21, a copy of which I put on every member’s desk, and I want you to notice this last paragraph:

“You stated in your letter that you would appreciate learning from me whether or not our Government has decided to proceed with the dam and I must still say to you, as I have said

several times in the House, that we have not yet decided to proceed with it.”

**Hon. Mr. Walker:** — He means ‘no’.

**Premier Douglas:** — Then he goes on to say . . .

**Mr. Cameron:** — Is that the way you write your letters? When it means ‘no’?

**Premier Douglas:** — Well, when you say you have not yet decided to proceed with it, that certainly doesn’t mean ‘yes’, does it?

**Mr. Cameron:** — Does it mean you are not going to?

**Premier Douglas:** — Just a moment, if my friend will just hold his horses and keep his shirt on. He goes on, — and this is rather neat, Mr. Speaker:

“However, it frequently comes up for discussion between us” (I don’t know who ‘us’ is) “and it would be an important factor in those discussions if we were told officially that your Government would be prepared to pay the full cost of the penstocks and 25 per cent of the other costs of the dam as the work proceeds. We would certainly have to regard such an offer as a clear indication of your Government’s views as to the economic value of the project.”

In other words . . .

**Mr. Danielson:** — That’s good enough.

**Premier Douglas:** — . . . without saying that they are prepared to go ahead, without making any commitment or even a shadow of a commitment, we are now asked to make a specific commitment, not only for what we have committed ourselves before, of 25 per cent of the cost of the dam, half in cash each year and half in treasury bills; but we now have to pay all of the cash each year and pay for the penstocks in the sum of some \$7,000,000.

**Hon. Mr. Walker:** — And still they won’t commit themselves!

**Premier Douglas:** — Most of the members here, as I have pointed out to the Prime Minister, want that we would agree to pay all that we had agreed to pay before: 100 per cent of the power installations, canals, irrigation works and so on; a categorical assurance that we would pay 25 per cent of the cost of the dam itself and cash each year if the Federal Government did not want to carry out its original suggestion of treasury bills for 50 per cent, and, with reference to the penstocks, I pointed out that the penstocks are used to generate power not only for the Power Corporation but they are used to generate power to pump water. If the Power Corporation wasn’t in the business at all you would still have to pump water, and would still have to generate power, you would still have to have penstocks, and, therefore, the cost of the penstocks should be divided.

**April 9, 1957**

I want on to say that, "If your Government insists that the penstocks be paid for entirely by the Province, then I think our engineers would want to suggest some change in the design of the dam so as to make the penstocks much shorter and, therefore, less costly." That is, the conduits which are normally used to divert water could be plugged and other penstocks, much shorter penstocks, could be used just to generate power.

I went on to say this:

"However, this is a detail which I am sure we can work out satisfactorily once your Government has decided that the project as a whole is in the national interest, and that you are ready to proceed with it."

That is the important point. There is no problem about the negotiating of the 25 per cent; no problem about negotiating the penstocks. Once the Federal Government makes its decision that can be worked out. I got a letter this morning from the Prime Minister. There was only one question for him to settle and that is, was the Federal Government ready to go ahead? We have met all the conditions; we are prepared to negotiate everything that they have asked, and the Prime Minister said:

"We have not decided against proceeding with the project, but we have not yet made an affirmative decision to proceed with it."

Now there is a profound decision. "We have not decided not to proceed with it, but neither have we made an affirmative decision to proceed with it." But this is what is most discouraging to me. He then refers me to his last statement in Parliament on March 28, which appears on page 2767 of Hansard. Here is page 2767 of Hansard on which Diefenbaker, the Leader of the Official Opposition, asked the Government whether, in view of the Maritimes and British Columbia power projects which the Federal Government was proposing to build, "Is there going to be reconsideration now of the south Saskatchewan dam?" The Prime Minister's answer:

"I have declared . . .

And remember, this is not just my pulling this out of Hansard. The Prime Minister himself in his letter referred me to this, which I am to take, I presume, as his answer to me, the first part of his answer being so indefinite:

"I have declared time and again that I would not take the responsibility of recommending to Parliament that this scheme be proceeded with until I was convinced that it was something that would put back into the whole national economy more than it would take out annually in the form of interest and amortization charges, and I have not been able yet to become convinced that such would be the case."

That is pretty definite. than Mr. Argue asked: "Is the Prime Minister prepared to give reconsideration to the project during the current session?" Mr. St. Laurent replied:

"The Prime Minister cannot extend any hope to any hon. member, no matter how many questions are asked, that an affirmative decision will be reached in the course of this session, nor in the course of the next few weeks."

**Mr. Cameron:** — That isn't politics, is it?

**Premier Douglas:** — Well, it certainly is not closer than we have ever been. As this thing says — "We have reached a point where a stat on the —project may not be far away." I wouldn't take that as telling me that we can have very much hope that they have decided that the project is in the national interest.

I put it to all hon. members, and I put it to the people of this province — if this Government hasn't done everything that it is humanly possible to do! In December, 1954, we accepted an agreement; we went to Ottawa in April and it was turned down — their own agreement, not our agreement, but they repudiated their agreement. Last June Mr. Gardiner said they were prepared to pay 75 per cent, and I wired the Prime Minister to say it was a deal; he replied that that was not what they meant. He writes now and says he wants 25 per cent cash on the barrelhead each year, and the penstocks. Members have a copy of my letter saying we were prepared to guarantee the 25 per cent each year, cash on the barrelhead, and we were prepared to negotiate the penstocks. The reply said nothing about the penstocks, nothing about the 25 per cent; it refers me to a page in Hansard in which he has told the House of Commons that he has no immediate prospect of making a favourable decision regarding this matter.

I ask members if there is anything more that we could do! If there is any criticism at all of this Government it is probably that we have gone too far in offering to assume too heavy a financial responsibility. In the light of the fact that two great dams have been built in the province of Alberta to which the Government of Alberta was not asked to contribute a five-cent piece; in the light of the fact that in the Maritimes today, thermal plants are to be built and distribution and transmission lines are to be built by the Federal Government, and operated by the Federal Government, to sell power at cost to the Maritime provinces; and it has now been announced that the Federal Government is going to spend \$300,000,000 in putting up a power plan on the Columbia River to sell power to the British Columbia Government, and in both British Columbia and the Maritimes the Provincial Governments will have an option to purchase the plants whenever they want. In the light of those I think that we have been asked to pay too much; but we have agreed to pay it, and yet we can get no guarantee whatsoever, or even encouragement that the Federal Government have in mind proceeding with this project.

I want to say one other thing. The Leader of the Opposition asked some time ago if we had made any representation to Ottawa regarding self-liquidating projects for the production of power, in the light of the

**April 9, 1957**

very generous offer which had been made in the Maritimes and in British Columbia. I want to make my position clear as far as the Maritimes are concerned. I was one of the men at the Federal-Provincial Conference who pleased for a project like this for the Maritimes, because the Maritimes have tremendous economic problems and they haven't got the great hinterland that the rest of Canada has got for future development; and I am glad this is being done for the Maritimes. But when you come to British Columbia, British Columbia has one of the highest per capital incomes in the Dominion of Canada, so the justification there is not need. They are not 'poor relations'. The justification there is that, according to the Federal Government, this is an international waterway and that the Americans are insisting that it be developed and that power will be available on both sides, and so we must do this because the Americans are very anxious that it should be done, but it is going to be done as a public project. They are going to be sold power at cost without having to put a dollar into it, and given an option to buy it when they want to. I wrote to the Prime Minister and asked if the same treatment would be available to Saskatchewan. Certainly we don't claim to be as hard up as the Maritimes; but we are certainly a lot harder up than British Columbia. We are one of the few places left in Canada where there is no hydroelectric power. We are one of the few places in Canada where hydroelectric power potential is small, and where, in the view of this period of agricultural transition through which we are passing, we must get cheap power and we must have conservation of water. I think that we have a good case, a very genuine case, for getting the same kind of treatment as is being handed out both to the Maritimes and to British Columbia.

When I write and ask the Prime Minister if the same treatment will be available to Saskatchewan, the Prime Minister writes and tells me – I don't want to quote the letter until I get permission to table it, I only got it this morning; but he points out, after explaining these two projects, that we are not to take these two things as being part of the general policy, that they don't propose to do this for others; they were special considerations that made it wise to do this for the Maritimes and to do this in British Columbia, and, therefore, they will not be applicable to Saskatchewan and to provinces in similar positions.

Mr. Speaker, I have spoken at some length, because I wanted to clear up any misunderstanding that may arise either from the statements of the member for Arm River or which may arise from statements which I notice have been coming from the press gallery in Ottawa and reflected in the editorial in the 'Leader-Post' this morning, that we are closer to an agreement, that we are at a place where it looks as though work on the dam is probably going to begin. We have received no more encouragement and no more indication that Ottawa is likely to accept the proposal we have put before them and proceed with the dam now than we had in April of 1955 when Mr. Fines and myself went down to meet the Prime Minister.

Therefore I hope, Mr. Speaker, that the members of the House will support this motion because, as long as we can, we shall keep on approaching the Federal Government. The offer which I made in that letter of March 29 – that offer, of course, stands. We shall continue to approach Ottawa again and again, and I think it would strengthen our hand if, in going to Ottawa, we could go there and say that the terms which we have outlined have the unanimous support of the members of the

Legislature and the backing of the great bulk and majority of the people of Saskatchewan. I shall support the motion.

**Mr. A.H. McDonald:** —Mr. Speaker, I have only a word or two to say on this resolution, and I think I can finish before 5.30, if that meets with your approval.

There is just one thing I want cleared up one and for all, and that is the statement that has been made in this House several times, apparently taken from a newspaper clipping that appeared after a speech I had made at Prince Albert. I myself haven't seen the newspaper clipping — perhaps I have it, but it matters not. However, since that time I have been accused of not being favourable to the South Saskatchewan dam at that time. If anyone attended the meeting in Prince Albert at which I spoke, they will realize that what I said at that time was as follows: That I was in complete agreement with the construction of the South Saskatchewan dam; but I said this: "if we had the dam in place at the moment, what are we going to do with the products that would be produced in that area?" This is a program that is going to take not 10 years, but 20 to 30 years to completely utilize the facilities that will be made available to us. It is a multi-purpose dam, in my opinion. We have the possibility of generating power there; we have the possibility of irrigation, and, in my own mind, I doubt if either of them would make it completely feasible and profitable to build the dam. Then the third reason, and the major reason in my humble mind for building the dam is to create a tremendous reservoir of water in the central part of Saskatchewan, which would give us an ideal industrial site in this province. Up to date, I think we all agree that we haven't ideal industrial sites in Saskatchewan because of the scarcity of water — and that was why I made the statement at Prince Albert. I was convinced at that time, as I have been ever since I knew anything about it, that the South Saskatchewan dam would be a great thing for the prairies of western Canada and a great thing for the Canadian economy as a whole.

The statement has been made that we have been fooling around for 20 years with the South Saskatchewan dam. It was in 1943 that the P.F.R.A. began surveying and hoping that they could find a feasible site to build a dam on, on the South Saskatchewan River. The Premier has told us that it was in 1954, which was 11 years later, before they committed themselves to the South Saskatchewan dam, and I think that is the true fact of the matter; that is exactly what happened.

**Premier Douglas:** — On a question of privilege, Mr. Speaker. It was no such thing. We accepted the proposal which was put before us as early as 1947, but at that time there was no question of our sharing the dam, we were only supposed to put in the power installation; but the first time an agreement was put before us was in December, 1954. We had agreed as far back as 1947 to pay for the power installation, and that was all we were asked to do.

**Mr. McDonald:** — Well, I took it from your remarks, a moment ago, that you said you had made a commitment in 1954. As far as I am concerned, and, I am sure, as far as anybody who sits on this side of the House is concerned . . .

**Mr. Brown (Bengough):** — Don't be too sure of that.

**April 9, 1957**

**Mr. McDonald:** — . . . we want to see the south Saskatchewan dam constructed at as early a date as possible. I hope that there will be co-operation between the Government of the province of Saskatchewan and the Government of Canada, because I have personally walked that country within the last twelve months to see in my own mind what the dam would do for the province of Saskatchewan. Many other members on this side of the House have done the same thing, and I am more convinced than ever, after visiting the site, that it is one of the most worthwhile projects that could be proceeded with in the Province of Saskatchewan, and would have more effect on our over-all economy than probably any other project we might proceed with at this time or any time in the immediate future.

I want the members of this Legislature, on both sides of the House, to know that we here in the Liberal Opposition are convinced that this is in the interests of Saskatchewan; it is in the national interest of Canada, and if one wanted to take the time one could point out the many reasons for that. It will have our wholehearted support. Not only will we support this resolution, but we are prepared to work with any organization that will take up the problem of trying to get this dam constructed. We sincerely hope that an announcement can be made – not only an announcement, but that contracts have been let and we can start to move the dirt and build the dam, because, in my own humble opinion, this province will never become the great province that it could become until such time as we have that body of water created here in the central part of Saskatchewan. Mr. Speaker, we will support the motion.

The motion (Mr. Wood) was agreed to unanimously.



## TWO-PRICE WHEAT POLICY

Moved by Mr. Coderre, seconded by Mr. Barrie:

“That this Assembly recommend to the Government of Canada that some means be devised whereby the Canadian Wheat Board will receive for distribution a sum not less than \$2.10 per bushel for wheat sold for human consumption in Canada.

And further that the Canadian Wheat Board pay to the producer \$2.10 per bushel of wheat, basis No. 1 Fort William, for the first 1,000 bushels delivered in each crop year by each farmer.”

**Mr. L.P. Coderre (Gravelbourg):** — Mr. Speaker, I can see by the looks of the people across the floor and on this side, they are all getting itchy feet and itchy hands, and itchy elsewhere, so I will make my remarks rather brief. With the coming of spring we all want to get out and see what spring has in store for us.

Now, Mr. Speaker, due to the actions of the Government, I have got to bring this out in order to bring my point across, I think. By imposing on small farmers the financial burdens, such as electricity costs, gas tax, increased burdens and those sorts of taxes, I feel something should be done about it. I have here a motion which, I am sure, will assist the family farm and the small farmers.

However, before I go much further, there is one thing I am certain of and it is that whatever made this province, or for that matter the three prairie provinces, the great wheat-growing provinces, it was not brought about by the shortsightedness or the pleading looks that the Government have been looking towards Ottawa. We didn't reach our place as a great wheat producer of the west by any smart or fancy formula. If agriculture is to continue to make the great strides in the future that it has made in the past, it won't be through any type of legislation; it will be because the farmer, together with our modern methods and a will to get ahead, will keep on producing and using the better seed and improved farm methods. That is one way the farmers of the west can get along.

Another point which is very important is that the people of the world are paying a fair price for our wheat, and also the people of Canada are paying a fair price for the wheat that is consumed in this country. And here, Mr. Speaker, is where, I feel, the first part of my motion should come in.

The second part of my motion will make more money available

**April 9, 1957**

when needed at a time when it is needed, and it will taper off as deliveries continue. Therefore, the whole gist of the motion is that it will put more money into the hands of the farmer at a time when the need is the greatest; that is immediately when harvest time is just around the corner.

Mr. Speaker, I take pleasure in moving this motion, seconded by the hon. member for Pelly (Mr. Barrie).

**Hon. Mr. McIntosh (Minister of Municipal Affairs):** — Mr. Speaker, I wonder if the hon. gentleman would permit a question just on the first section of the resolution. Do I take it to mean that there would be a domestic price of \$2.10 a bushel for all the wheat consumed for domestic purposes in Canada?

**Mr. Coderre:** — I was just going to bring that up, Mr. Speaker. I just noticed it now, that I didn't put it on the Order paper; but that should be \$2.10 per bushel 'basis No. 1 Fort William.'

**Hon. Mr. McIntosh:** — We don't mind taking a trip east.

**Mr. Coderre:** — I noticed that; I was talking about it, but I just forgot to mention it . . .

**Hon. Mr. McIntosh:** — Mr. Speaker, that would be a domestic price then, for the wheat consumed in Canada?

**Mr. Coderre:** — That's right, yes.

**Mr. Lopton (Saltcoats):** — Mr. Speaker, would it be possible to make that correction?

**Hon. Mr. Brockelbank (Minister of Mineral Resources):** — Bring in an amendment.

**Mr. Lopton:** — An amendment!

**Mr. Isaak Elias (Rosthern):** — Mr. Speaker, I have not taken up too much time during this Session, and I would, therefore, ask a few minutes to make some remarks regarding this motion we just heard. We have heard so much about agriculture and the difficult position the farmer is in, that we all realize the great need for prompt action to bolster agriculture. Some of the statements we have heard in this Assembly during this Session are to the effect that farmers who represent 20 per cent a drop in farm prices and rise in farm costs are causing a vicious price squeeze; farm debts in 1955 have increased by \$500 million, farm cash incomes in the last three years have dropped by \$1,200 million; the small farm operator is gradually passing out of the picture, and there is the paradoxical situation of bulging granaries and empty pockets, and so on.

Now, because of these and many other evidences of the deterioration of the farm industry, I would like this Assembly to urge the Federal Government to adopt a more practical and just method of marketing our wheat than the one in practice now, and also the one that was just proposed. The motion just read is a single step in the right direction, but so vague, so inadequate, so impractical, that I could only support it as an alternate measure, and would, therefore, like to bring in an amendment to it.

Before I do that, I would like to point out the weaknesses of the motion we just heard. First, the two figures, "1,000 bushels" and "\$2.10" are too specific and too binding. I don't know on what they are based unless they were chosen because it is fairly easy to multiply and divide by 1,000. If these figures would be correct this year, they may be all out of relationship in six months, and might not hold water a year from today, due to the changes in world conditions, and changing agricultural conditions.

It was only on Friday that the hon. member from Gravelbourg (Mr. Coderre) reminded this House that we lived in a changing world, and that we had to learn to adapt ourselves to change. This motion does not set out any policy based on principles that would ensure parity and justice under changing conditions. The second weakness is that it penalizes the small farmers who are suffering most due to the price squeeze. According to the Dominion Bureau of Statistics, the parity price of wheat at the present is \$2.37, and so, if 1,000 bushels should be sold by the farmer for \$2.10 at least 17,000 farmers in the three prairie provinces would be selling all their wheat for less than parity. Remembering that production costs on the small farm are always higher than on a large farm, I cannot see how the suggestion in the motion will enhance this small farmer's hope of survival. Surely we should not expect him to continue to subsidize his production costs.

The third weakness is that the price, \$2.10, is not even parity. Fourth, the motion makes no provision to control local grain deliveries by units, to ensure all farmers an opportunity to deliver as space becomes available. And fifth, the motion contains nothing on marketing policy to follow after the first 1,000 bushels are sold. This is very important, because the present Federal wheat policy has proven to be defective and incapable of coping with the problem of our wheat surpluses, and, as a result, our farmers are burdened with the calamity of the blessings of surpluses.

So, Mr. Speaker, I could not happily support the motion, and would like to take a few minutes to discuss my amendment to the motion. I hope to be able to convince every member of this Legislature of the merits of my proposals. You will note that I have used no definite figures in my amendment, but rather have set out sound and practical principles to guide in the setting up of a wheat marketing formula. These principles allow for elasticity in the formula, so that it can be suited to changing conditions, and changing world conditions and changing national agricultural conditions.

**April 9, 1957**

It is not my intention to speak at this time, in detail, on our wheat marketing policy, but will confine my remarks only to those aspects of our policy relative to the motion. Before I go into a brief discussion, I would like to read my amendment: "That all the words after the word 'Canada' in the first line be deleted and the following substituted therefore:

"That the said Government establish, through the Canadian Wheat Board, a multiple-price system for wheat, whereby initial units, sufficient to satisfy domestic consumption would be sold at parity prices, with subsequent delivery units to be sold at the best export prices obtainable through the International Wheat Agreement."

Now, the wheat raised in Canada is either used at home or it is exported. Home-consumed wheat should be sold at parity, while export wheat might be sold at other prices, so, although I call it a multiple-price system, the two-price factor is still there. It is estimated that about 700 bushels per farming unit would take care of home consumption, which would call for two initial delivery units of 350 bushels each. These two units should sell for prices the average of which would equal parity, whatever that might be for that particular year.

The important thing here is that all farmers would get parity for the first delivery units. More important still, though, is the fact that 45,000 of the smallest farmers in the prairie provinces would get parity for all the wheat that they have for sale. This, I am sure, would be a great step ahead to make it possible for the smallest farmer to remain in business.

Some might say the small farmer is being subsidized. Well, let us see what is happening in industry; for example, the automotive industry. There are many small contributing industries making parts for cars, such as spark plugs, generators, light bulbs, etc. The spark-plus company sells its products to the automobile industry for a price high enough to make a profit on their production costs. The same thing is true of the company making the generator, any other company making light bulbs, and all these contributing industries. All of these smaller companies are making a profit, and the price tag on the finished automobile includes all these prices. It is common practice in the manufacturing industry for the contributing industries to make a profit. Why then should Canadians not be just as willing to allow the farmer, who is but a contributing agent in the bread industry, to make a fair profit on his production costs? When the price of sugar advanced several weeks ago, I, as a merchant, received notice from my wholesaler that the price of bread would have to go up one cent because the price of ingredients had gone up.

Now, an increase of \$1 per bushel to the farmer would reflect

only a price increase of one cent per loaf, because the price of wheat is only a very small factor in the price structure of a loaf of bread. The amount of wheat to be sold on the export market would be what is left after proper provision is made for storage for some of our surpluses against the shortages of another year. The only major problem we have in regard to surpluses in Canada is that in respect to wheat. I know, in dealing with the disposal of these surpluses, I will likely not have the support of my friends to the right; and the Federal Government seems to think that it is more important to uphold this out-moded and impractical policy of grain marketing than to assume its national responsibility to make available our blessings to the needy people in other countries. World peace requires well-fed people, because history records that famines create breeding grounds for pestilence and wars, and it grieves me to know that Canada is spending \$100 on defence for every \$1 that it spends on economic aid. We must adopt a sound agricultural policy that will encourage an optimum level of production, and a sound marketing policy to make it possible for countries who need our wheat to get it. Therefore, our surpluses should be sold for the best export prices available or obtainable, and to nations that are unable to obtain their needs through the normal channels of trade, they should be made available to them by the acceptance of foreign currency or by barter trade.

In dealing with export marketing policies, I would like to make another reference to the manufacturing industry and their policy of disposing of their goods. I feel what is fair to one section of Canadians should also be fair to another. Surely, to build a strong and united nation, we must stop this unfair practice of playing one section of the country against the other. This is a common practice in our freight rates structure and in the protective tariffs as they exist today. We all know that a tractor manufactured in Canada can be bought for less money abroad than the same tractor can be bought in Canada. Why should industry be allowed to sell their products to Canadians at a price high enough to enable them to compete with foreign markets, by selling it for less than cost and still make a profit on their total turnover at the expense of the Canadian consumer? In other words, why should the Canadian farmer be asked to subsidize the manufacturer to enable him to compete in world markets? I maintain that industry should have no special privilege that is not enjoyed by the farmer. Both should sell their goods for domestic consumption at parity, and both export portions at competitive world market prices. Social Credit does not believe in granting special privileges to some, but we do believe in equal rights to all.

I would like to read a few statements from an article appearing in 'The Star-Phoenix' of November 18, 1955. It deals with a talk given by D.G. MacKenzie, Chief Commissioner of the Board of Grain Commissioners for Canada. When speaking on his eastern industry and grain tie-ups, he said:

“The Chief Commissioner of the Board of Grain Commissioners for Canada Thursday laid part of the blame for the present wheat surplus problem at the feet of protected industry of the east.

**April 9, 1957**

“‘When one looks back over the last 80 years,’ Mr. MacKenzie said, ‘it is obvious that manufacturers started government subsidies. The manufacturers have always sought protective tariffs and all governments have given them. The Commissioner said that even in the last few months representatives of four countries have come to Canada ready to buy wheat or barley, but only if Canada would import the right goods in exchange. But Canada cannot, import these goods in proper terms, because of tariffs.’”

Now, the last part:

“‘The real struggle today to some extent, is between the wheat producer of the west and the protected industry of the east.’”

So, Mr. Speaker, I believe my amendment is a better answer to our problem than the motion just before the House because: (1) it sets out a sound and a long-term policy that is in the interest not only of Canadian farmers or of the people of Canada, but would be a forceful instrument in helping to promote world peace; (2) it will give the smallest operator a strengthening financial stimulus; (3) local wheat deliveries would be controlled by units; (4) no subsidy from the Federal treasury is necessary to put this plan into operation.

Therefore, I am soliciting the support of all members for my amendment, and take pleasure in moving this amendment, seconded by the hon. member for Meadow Lake (Mr. Weber).

**Mr. A.L.S. Brown (Bengough):** — Mr. Speaker, I don’t intend to take much time this evening to discuss this particular motion and amendment. I think the member for Rosthern (Mr. Elias) has put up an excellent amendment for the necessity of adopting in Canada a system other than that we have know in the past few years; that is, in which we have had a one-price system for wheat consumed in Canada and for wheat exported outside of Canada.

His suggestions as to the means by which the wheat producer in Canada can obtain his fair share of the consumer dollar (that is spent by the consumer in Canada) is appreciated, and to that extent he is attempting to solve the problem; and he has attempted to solve the problem of the small producer, in so far as he is attempting to assure that this parity price for domestic wheat will be returned on the initial delivery.

However, I do think that, if the wheat producers in Canada is to be assured of his proper place in our national economy, if he is to be assured that he is going to obtain his fair share of the national wealth which

is produced in Canada, if we are going to put the wheat producer and the agricultural industry on a parity with other industries in Canada, we must go much further than he has suggested.

I would like to take this opportunity, Mr. Speaker, to adjourn the debate in an endeavour to amend his amendment in such a way that I will be able to place before this Assembly those proposals which I think will bring about that equality as between the agricultural producer and (particularly in this instance) the wheat producer and the other industries and the other producers in Canada.

**Mr. A.H. McDonald (Leader of the Opposition):** — Mr. Speaker, there are one or two questions I wanted to ask the hon. member who introduced the amendment. It was the decision, as I understood it, that we would take this off the Order paper this evening, and I think we should carry through with that decision – take it off the Order Paper now, and the debate shouldn't be adjourned.

**Hon. C.M. Fines (Provincial Treasurer):** — Mr. Speaker, may I say on behalf of the Government that it certainly was our hopes that we would be able to vote on this immediately. I vote on it, but, in view of the further debate and the amendment of course, I think it is beyond our control now.

(Debate adjourned)

April 9, 1957

## REPORT OF SELECT STANDING COMMITTEE

### ON STANDING ORDERS

#### In Committee of the Whole

**Hon. C.M. Fines (Provincial Treasurer):** — Mr. Chairman, I think there are really only about three of these sections that there is any change in, and I suggest that we might just go into those and forget about the others. May I suggest we take a look, first, at Page 3, Standing Order 13A ‘Special Orders’ if that is agreeable. Parts (1) and (2) — these are ‘special Order’. Now, the first change is that now the Budget Debate becomes a Special Order. In other words, it goes to the first place on the Order Paper the same way as the Speech from the Throne does now. The second change is that we will, after we resume the Debate on the Address on the Speech from the Throne, continue the debate for seven days and the Budget will be debated for eight days after the debate has been resumed — that is, from the time it is resumed. Those are the principal changes, as I see it.

Why could we not just agree on the changes?

**The Chairman:**— Well, would it not be possible to take it page by page?

**Mr. McDonald (Leader of the Opposition):** — I wonder, Mr. Chairman, if we might go through it item by item and call off those that have the change in. For instance, No. (2) — I don’t think it would be necessary to read it. If you just call No. (2), and perhaps take it in that order.

**Hon. Mr. Fines:** — There is really no change at all on Page 1.

**The Chairman:**— I think possibly the fastest way would be to do it . . .

**Mr. McDonald:** — Could I just ask the Provincial Treasurer a question. Take, for instance, No. 6 — there’s no change; well then, No. 7 — what is the change?

**Hon. Mr. Fines:** — There is just a change of wording. We used to say Yes and No before.

**Hon. Mr. Brockelbank:** — It was “ayes” and “noes” before; not “yeas” and nays”.

**Mr. Cameron (Maple Creek):** — Just one more question. The only changes as I see it, are 24A and 24B, dealing with the Throne Speech and the Budget Debate. The limitation comes in 24A and 24B, does it?

**Hon. Mr. Brockelbank:** — There’s a change in the . . .

**Hon. Mr. Fines:** — In 13A, I think.

**Mr. McDonald:** — Yes, that’s just changing it on the Order of business.



**Hon. Mr. Fines:** — Shall we drop Page 2, Mr. Chairman?

**Mr. McDonald:** — I would agree, Mr. Chairman, to take it page by page.

**The Chairman:**— We'll take it page by page. Starting on Page 2, then, the only change there is in respect to the approving or putting into the Standing Orders the changes which we made one year ago in respect to the opening and closing of the Session.

In Clause 10, the only change there is (2) “no member shall enter, walk out of or across the Assembly.”

**Hon. Mr. Brockelbank:** — Does this mean, Mr. Chairman, that once the bell stops ringing and the doors are closed?

**The Chairman:**—Yes – you've had it!

**Mr. McDonald:** — That used to read that “no member shall take his seat,” wasn't it?

**Hon. Mr. Brockelbank:** — It did read, “walk out of or across the Assembly”.

**Hon. Mr. Fines:** — There was no word “enter” in it; we just add the word “enter”.

**Hon. Mr. Brockelbank:** — That's right.

**The Chairman:**— You will notice on the Order of business that we have put the Motion for Return where we have always had it – right after Government Orders.

**Mr. McDonald:** — Agreed on Page 2.

**The Chairman:**— Page 3, possibly 13A should be read and placed formally before the Committee, because that is one of the most important changes which have been suggested:

“13A. (1) The Order for consideration of the Speech of His Honour the Lieutenant-Governor, and for resumption of the debate on the Address in Reply thereto, shall have precedence over all other business on the Orders of the Day, except Questions, until disposed of as hereinafter provided, unless otherwise ordered by the Assembly.

(2) The Order for resumption of the debate on the Motion “That, Mr. Speaker do now leave the Chair” for the Assembly to resolve itself into the Committee of Supply (Budget), shall have precedence over all other

**April 9, 1957**

business on the Orders of the Day, except Questions, until disposed of as hereinafter provided, unless otherwise ordered by the Assembly.”

Now, what that does is give Government Orders – precedence over private members business until the budget is disposed of. Is that agreed?

**Members:** — Agreed.

**The Chairman:** — and No. 20 is simply reworded – No. (4).

Now, “24A (1) The proceedings on the Order of the Day for resuming debate on the motion for an Address in Reply to His Honour’s Speech and on any amendments proposed thereto shall not exceed seven sitting days.

(2) On the fourth of the said days, if a sub-amendment be under consideration at thirty minutes before the ordinary time of daily adjournment, Mr. Speaker, shall interrupt the proceedings and forthwith put the question on the said sub-amendment.

(3) On the sixth day of the said days, if any amendment be under consideration at thirty minutes before the ordinary time of daily adjournment, Mr. Speaker, shall forthwith put the question on any amendment or amendments then before the Assembly.

(4) On the seventh of the said days, at thirty minutes before the ordinary time of daily adjournment, unless the said debate be previously concluded, Mr. Speaker, shall interrupt the proceedings and forthwith put every question necessary to dispose of the main motion.”

Is that understood and agreed?

**Members:** — Agreed.

**Mr. Dewhurst:** — . . . there’s no time to . . .

**The Chairman:** — Well, not in this Standing Order, anyway.

**Hon. Mr. Brockelbank:** — That will be ‘it’ for him!

**Some Hon. Member:** — That will be the end of him.

**The Chairman:** — No. 25 – that is the Closure Rule. the only change there, I think, in view of the earlier closing hour it is suggested that be made “one o’clock a.m.”.

**Mr. Cameron:** — That’s one o’clock a.m.

**The Chairman:** — Yes, in the morning. It was previously two o’clock a.m.

**Hon. Mr. Fines:** — It used to be two o’clock; now since we have started earlier at 2:30 – this is the closure. This is after a motion for closure that has been introduced – or at least, a statement made by the Minister that he will move that the question be put, then the next night following – it used to be at 2:00 o’clock in the morning; if the vote was not taken by that time it would then to be taken, but now, instead of waiting until 2:00 o’clock it has been changed to one o’clock in the morning.

**The Chairman:** — Are you agreed?

**Members:** — Agreed.

**The Chairman:** — The only change in 27 is that we shall use no offensive words against the Assembly or against any member thereof. (Agreed).

**The Chairman:** — In No. 30 there is no change. (Agreed).

**Hon. Mr. Fines:** — There is a change in No. 40.

**The Chairman:** — No. 40(1) “A Deputy speaker shall be appointed at the commencement of every Legislature. He shall hold office for the term of the Legislature. During the absence of Mr. Speaker, he shall act as speaker.

**Hon. Mr. Fines:** — The change there is that at the present time we cannot appoint a Deputy Speaker until after the Speech from the Throne has been completed. This makes provision for it at the beginning of the Session, that is, if anything happens to Mr. Speaker, we would have somebody to carry on the business. (Agreed)

**The Chairman:** — This is 41(a):

“Except as provided in Standing Order 44 (b) when an Order of the Day is read for the Assembly to resolve itself into any Committee of the Whole, the question “That Mr. speaker do now leave the Chair” shall be decided without debate or amendment.”

**April 9, 1957**

that is the practice which we have been following in this Assembly and this spells it out and puts it beyond the question of a doubt that there is no debate on going into Supply or into Committee of the Whole.

**Hon. Mr. Brockelbank:** — The only exception is the Treasurer's motion to go into supply after the budget debate.

**The Chairman:** — The next is 44A:

“Whenever a resolution is reported from any Committee of the Whole, a motion to concur in the same shall be forthwith put and be decided without debate or amendment.”

**Mr. Loptson:** — Is that a new clause?

**The Chairman:** — No, that is what we have always done, but it has never been in the Standing Orders before.

**Mr. McCarthy:** — If you disagreed with a report in Committee you couldn't debate it in the House?

**Hon. Mr. Brockelbank:** — Mr. Chairman, this refers to Committee of the Whole. During committee of the Whole every member of the Legislature is in there and has all kinds of chances to debate. So when a report of that committee is made to the House, which is made up of the same members, it would be ridiculous to debate the whole thing over again. When it is committees that are not a Committee of the Whole, the rule is different.

**Mr. McCarthy:** — Well, I didn't understand that.

**Mr. McDonald:** — Does that mean there is no debate on Third Reading?

**Hon. Mr. Fines:** — Oh, no. Just on reports.

**The Chairman:** — On my report!

**The Chairman:** — We come to 44B (1):

“When an Order of the Day is called for the Assembly to go into Committee of Supply, Mr. Speaker, shall leave the Chair without question put, but the provisions of this Standing Order shall not apply when the said Order is called for the purpose of enabling a Minister of the Crown to make the Budget presentation.

44B (2): “The proceedings on the Order of the Day for resuming debate on the motion ‘That Mr. Speaker do now leave the Chair’ for the Assembly to resolve itself into committee of Supply (budget) and on any amendments proposed thereto shall not exceed eight days.

44B (3): “On the eighth of the said days, at thirty minutes before the ordinary time of daily adjournment, unless the debate be previously concluded, Mr. Speaker shall interrupt the proceedings and forthwith put every question necessary to dispose of the main motion.”

In other words, this gives us eight days of debate.

**Hon. Mr. Brockelbank:** — Who is going to get caught?

**Mr. McDonald:** — Not me!

**The Chairman:** — That means eight days after the Budget address.

**Mr. McDonald:** — In other words you are leaving any amendments and amendments to the amendments until . . .

**Hon. Mr. Fines:** — I should explain, Mr. chairman, that in the budget there is only one amendment and one sub-amendment allowed, so you can carry both of those through until the end. It is different with the speech from the Throne; you can have a dozen amendments there. (Agreed)

**The Chairman:** — Now, Standing Order No. 45 simply incorporates into Standing Orders an Order already passed by the Assembly by adding Crown Corporations and Rio Broadcasting of Selected proceedings.

**Hon. Mr. Brockelbank:** — And striking out one – Railways, Telephones and Telegraphs.

**The Chairman:** — Yes. That had actually been done last year by an Order of the Assembly, but it had never been incorporated into the Standing Orders. And on the Law Amendments Committee we have added the words ‘and Delegated powers’. It gives the power to the Law amendments committee to deal with regulations of the professional Acts.

**The Chairman:** — No. 47 is simply re-worded. There is no change in No. 48 and No. 49. No change in No. 50.

**Mr. Cameron:** — Mr. Chairman, on Page 1 it refers to the fact that ‘if the budget is brought down on a Friday’ – is that just the way it was worked out? I notice it is not in the Standing Orders.

**April 9, 1957**

**The Chairman:** — If the budget was brought down on Friday it wouldn't then be resumed until Monday.

**Mr. Cameron:** — There is nothing in here specifying the day.

**The Chairman:** — No. No. 51 is simply clarifying the rules which we have adopted by custom, if no other way:

- (1) Every Bill is introduced upon motion for leave, specifying the title of the Bill; or upon motion to appoint a Committee to prepare and bring it in.
- (2)
- (3) A motion for leave to introduce a Bill shall be decided without debate or amendment, provided that any member moving for such leave may be permitted to give a succinct explanation of the provisions of the Bill.
- (4)

That is just simply clarifying our present practice.

No. 52 to 59 – No change. No. 60 is simply making the practice uniform.

No. 60 to 68 – No change. No. 68A simply gives the clerk the right to employ the special technical staff for recording and transcribing the debates and proceedings. Previously there was no authorization in the Standing Orders.

No. 69 – 77 – No change. No. 78 is deleted because it is obsolete.

**Hon. Mr. Brockelbank:** — No. 78 says no Bill for the incorporation of a railway or a canal company or for authorizing the construction of branch lines or extensions of authorized existing lines of railways or of canals or for continuing the route of the railway or canal of any company already incorporated shall be considered by any Select Committee until there has been filed with the Clerk of the Assembly at least one week before . . .

**The Chairman:** — I guess that is obsolete then. Are we agreed on that? (Agreed).

**The Chairman:** — No. 78 to 98 – no change.

And now that brings us up to The Library of the Legislature and there are some changes there in an attempt to modernize the procedure of handling the Library. Will you take it as read or do you wish to have it as red/ It all deals with the Library of the Legislature. (Agreed).

That completes the consideration of the Standing Orders.

**Hon. Mr. Fines:** — Mr. Chairman, I will move, seconded by Mr. Brockelbank:

“That the Standing Orders of the Assembly be amended in the manner set forth in Sessional Paper No. 136 of 1957, and that the Standing Orders as so amended take effect at the next Session of the Legislature.”

**Hon. Mr. Brockelbank:** — Mr. Chairman, were there arrangements made also for the Clerk to have them printed?

**Hon. Mr. Fines:** — That is covered in the Committee on Printing – the Public Accounts Committee.

**Mr. Dewhurst:** — Mr. Chairman, before the question is put I would like to know if we are going to adopt a particular time for the debates why we could not adopt a particular time for the speeches so that the time will be equally divided.

**Hon. Mr. Fines:** — Well, Mr. chairman, we did have quite a discussion on that, but we decided to leave it and try it out and see how this works. We think, rather than force people into cutting their speeches down, that if we put a time limit of an hour and a half or an hour and a quarter, that instead of having some speech of 10 or 15 minutes, everybody would strive to prepare one hour for an hour and a quarter, and actually we would have more long speeches than we have today. So we decided that we would try this out and see if we can't work it out with the Whips. We think we can get better results that way than by putting a definite time limit on each speaker.

**The Chairman:** — It has been moved that the Committee rise and report. Is that agreed/

**The Chairman:** — The committee has agreed to a certain Resolution and has directed me to report the same in the following terms:

“That the Standing Orders of the Assembly be amended in the manner set forth in Sessional Paper No. 136 of 1957, and that the Standing Orders as so amended take effect at the next Session of the Legislature.”

**The Speaker:** — When shall the Resolution be read the first time?

On motion of the Hon. Mr. Fines, the Resolution was read a first and second time and agreed to.

April 9, 1957

## SECOND READING

### Bill No. 102 – An Act to amend The Mineral Taxation Act.

**Hon. J.H. Brockelbank (Minister of Mineral Resources):** — Mr. Speaker, the Bill before the House is to amend The Mineral Taxation Act, and I would like to take a few minutes to explain the principle of the Bill on this occasion.

The present Mineral Taxation Act provides for the taxation of producing areas in two ways – first, by a mill rate on the assessed value of the minerals in the land; or secondly, by a flat rate of 50 cents per acre on any area which has been declared to be a producing area. These provisions have given rise to some problems, and one of the most important is that when a producing area is declared it cannot very well help but include some lands which are not actually producing, and, consequently, there is some inequity.

In the second place the assessment of minerals in the ground, whether it be coal or oil, under the present provisions of the Act would be very, very difficult, if not almost impossible. It is very difficult to set a value on them. It is largely a matter of opinion, for example, how much mineral can be recovered, how much mineral is in place, so that is a problem also. The third point is that under this system, using either the assessment or the flat rate, the tax would fall, in many cases, on minerals. A good example would be coal, where it might not be advisable, or in fact possible, to mine that mineral for many, many years. It even might be as much as a quarter or a half a century before that mineral could be mined and that, of course, could place a very heavy burden in that long period of time on that particular property. Minerals are a little different from other property which is in constant use. Minerals are in use actually, and bringing in value only, during that term when they are in fact being produced. We have never applied the provisions of the present Act in regard to taxation in a producing area, except in regard to coal.

To overcome some of the problems which I have already mentioned provisions were made for individual landowners in a producing area to separate their titles and, if they did not consider their coal to be of any value, they could let it go and retain the rest of their minerals.

Another question, of course, has arisen. A good many people have said to me during the last few years “why have a producing area tax only on coal; why not on oil?” And they have had some justification, because there has developed in the province a great number of very valuable pieces of property in the last few years, and it would seem unfair to the people of this province, who pay different kinds of taxes in fees and royalties in relation to property, to leave a substantial group of valuable



properties tax-free. So we believe that the time has come when The Mineral Taxation Act in regards to producing areas should be extended to oil and natural gas, and the Bill provides for taxation of producing areas in coal and in oil and in natural gas.

The Bill also provides for changing the system of taxation in regard to coal, and that change is confining the taxation to these lands which are actually in use or producing. the second change, of course, is for applying the tax to petroleum and natural gas lands, and again restricted to those lands which are actually in production.

I might mention that I believe that both our neighbour provinces have mineral taxation on producing areas on this basis. The question will arise among the members, what will the assessment be, and certainly I cannot, at this time, give a definite answer, because the Bill provides that the mill rate shall be set by the Lieutenant-Governor in Council with a maximum of 10 mills, and the assessment shall be determined in a manner prescribed by regulation of the Lieutenant-Governor in Council. I think everyone will agree that the assessment should bear some relation to the productive value of the property, and consequently the rate and value or production could not be ignored in deciding on the assessed value.

Another question that members may wish to ask is what impact the tax will have on coal there will be little, if any, change in the total tax. That is, the tax load on our lignite coal industry will remain approximately the same as it is now, but it will make for a fairer distribution of that tax load. on oil, I might here just give an example – take land which is producing. Say we take a quarter section of oil land that is in production, with two good wells on it, producing probably in the neighbourhood of something over a \$100,000 worth of oil per year. Even at the maximum rate of 10 mills, figuring 100 barrels a day from each well, that would give a total value of production in a year of 300 days (not for 365 days) of about \$120,000.

On that kind of property, the tax might be, on the royalty owner, about \$300. if the wells were producing at the rate, and something near the average prices of oil, he would enjoy an income of about \$15,000, and have 4300 to pay out of it in tax, so that it could not be claimed the tax was unduly burdensome.

On the producer, all we need do to get the comparative figures, of course, where it is one-eighth royalty is to multiply these figures by seven; the tax in that case would be \$2,100, and the producer would be enjoying a gross income of about \$100,000 or over, and the net income of somewhere in the neighbourhood of \$75,000.

This Bill also provides in the definitions which can be considered in Committee that, by defining what we mean by ‘tracts of land’ and what we mean by ‘producing tracts,’ can confine the taxation to lands

**April 9, 1957**

which are actually in production. It is, I believe, a fair tax, and I hope at the start, no one will criticize me for the smallness of the tax on this very valuable property; but with that explanation I think we can have other discussion in Committee.

I would move this Bill No. 102 – An Act to amend The Mineral Taxation Act be now read the second time.

**Mr. Loptson (Saltcoats):** — Mr. Speaker, I presume this 100 barrels a day was a hypothetical case. Do you have any 100-barrels a day wells?

**Hon. Mr. Brockelbank:** — But quite realistic, in a good many cases.

**Mr. Loptson:** — There are some?

**Hon. Mr. Brockelbank:** — Oh, yes!

**Mr. Loptson:** — You didn't say anything about offset land that was not in production. Are you proposing to make any change in the assessment of that land? For instance, you said there might be two producing wells to a quarter. Will, that means you have two offsets; are you making any special tax on those?

**Hon. Mr. Brockelbank:** — It will only apply on land that has, or is, actually producing.

**Mr. Speaker:** — Is the House ready to adopt the motion?

Motion agreed to, and Bill referred to a committee of the Whole at next sitting.

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