

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Thirteenth Legislature
14th Day

Tuesday, March 4, 1958

The House met at 2:30 o'clock p.m.
Before the Orders of the Day:

CORRECTIONS OF PRESS REPORTS

Mr. L.N. Nicholson (Nipawin): — Mr. Speaker, before the Orders of the Day are proceeded with, I want to draw the attention of the members of this Legislature to an erroneous report that came out in 'The Leader-Post', yesterday afternoon. I was questioned by the Press Gallery representative of 'The Leader-Post', asking for a statement on this proposed \$1,000 increase for Cabinet Ministers, and the quote I got was this:

"Social Credit opinion is that even with the \$1,000 Cabinet Ministers are being overpaid for the job they are supposed to be doing."

That is not what I said, Mr. Speaker. What I did say — and I have to admit the gentleman in the gallery is not to blame; I checked, and it was definitely past his jurisdiction; but they left out the word 'not' and it leaves an entirely different meaning. I will read it as it should be read, as corrected:

"Social Credit opinion is that even with the \$1,000 Cabinet Ministers are not being overpaid for the job they are supposed to be doing."

I would like to say to the Press Gallery correspondents for the Regina 'Leader-Post' that, in future, if they do not want to quote me correctly, please do not quote me at all.

Mr. Fred Neibrandt (Yorkton): — Mr. Speaker, before the Orders of the Day are proceeded with, I too would like to draw the attention of this House to the erroneous reports in 'The Leader-Post', and I can very well sympathize with my friend from across the way. He at least was misquoted. I didn't even quote . . .

Mr. Speaker: — Order! Will the hon. gentleman please confine himself to correcting whatever was wrong?

Mr. Neibrandt: — Well, I wasn't here, Mr. Speaker, yesterday, so

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I wasn't interviewed at all; yet I am quoted as expressing certain sentiments when I wasn't even here.

Mr. A.C. Cameron (Maple Creek): — Mr. Speaker, before the Orders of the Day are proceeded with, I too would like to add my bit to the comments on the press. I noticed in the press report of my address yesterday, that it stated I had said that the population of Manitoba was five times that of Saskatchewan, and Alberta's population was fifteen times that of Saskatchewan. I would point out (and I tried to make it very clear here) that I was speaking strictly of the percentage increase in population, which is quite a different thing. The percentage increase was five times — not the population.

BUDGET DEBATE

The House resumed, from Monday, March 3, 1958, the adjourned debate on the proposed motion of the Hon. Mr. Fines (Provincial Treasurer):

"That Mr. Speaker do now leave the Chair. (The Assembly to go into Committee of Supply).

Hon. Russell Brown (Minister of Sask. Power Corporation): — Mr. Speaker, yesterday when I joined in the debate on the motion after the financial critic for the Opposition had taken his seat, I made some reference to the requests of this Government to the Federal authorities for some assistance in power development, here in Saskatchewan, comparable with the assistance which has been approved for other areas of the Dominion. I mentioned that the Government had submitted a request to the Federal Government for a loan of some \$100 million over a short period of years — a long-term loan, I should mention, in the neighbourhood of 40 or 50 years at a reasonable rate of interest. I tried to point out at that time that the Government feels that, because of the peculiar situation we face in Saskatchewan with regard to power development, our request is entirely reasonable. I raised that matter, Mr. Speaker, because it is my hope that we may be able to obtain the support of all members of this House for that request, because it is of such vital importance to the development of our province.

I particularly hope that my friends opposite will see fit to give their support because, in the event that the party which they represent becomes the Government of Canada after 31st March . . .

Opposition Members: — Hear! Hear!

Hon. Mr. Brown: — I'll be kind enough not to make any comment on that, Mr. Speaker, but in the event that should happen, I would hope that my friends would change the approach which they have had to these matters in past years, and see fit to give some

support to the request of this Government to the Federal authorities rather than, as they have seen fit to do in the past, throw cold water on any proposal which might call upon Federal authorities to accept some degree of responsibility in matters of this kind.

I mentioned yesterday some of the factors that have a bearing on power development in the province, factors which have a tremendous influence on the cost of development of power services. Those, as you will recall, were three-fold, in the main. I mentioned, first, the difference between the economic sources of energy in the province, the coal deposits in the south-eastern part, and, of course the prospective hydro sites in the northern part, and I pointed out that this factor determined the investment required by the Corporation for major high voltage transmission lines. I also made some comparisons with the amount of high voltage transmission lines which we are, of necessity, required to build here in Saskatchewan with that required in the provinces which have already been advised they are to receive some special consideration.

I mentioned, too, the density of the customer load served, which is largely determined by the size of the individual communities, and the density of the population of the farming area, and, as I said, this determines the cost of the intermediate transmission lines and the cost of the rural and urban distribution system.

I probably overlooked mentioning, Mr. Speaker, that in Saskatchewan, as you know, the Corporation does not enjoy the advantage of serving any large concentrated markets on what you might term a retail basis. In other words, the main markets in a concentrated population area such as the cities of Regina, Saskatoon and Moose Jaw are served by utilities other than the Corporation. That, too, has a great bearing on the cost of power in this province is the rate of growth of the demand for power by the consumer. This determines, of course, the investment required in new generating plants, and the increasing capacity of transformer stations and distribution systems. You will recall I mentioned we are experiencing the highest rate of growth in Saskatchewan of any areas in the Dominion. British Columbia is the next closest, which experienced a 100 per cent increase in the period 1951-56, but in the province of Saskatchewan our rate of growth amounted to 119 per cent.

Those are the main reasons why we feel that our problems are equally as great as, if not greater than, those faced by the Governments in the provinces which, as I say, have already been promised some special consideration for power development.

I would like to point out that our studies indicate that during the next decade we will be requiring in Saskatchewan somewhere between \$350 million and \$450 million of additional investment,

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in the Corporation, if we are to continue to expand the facilities to take care of the growing requirements for power by our people and industry. That, I would suggest, is a staggering amount of money to expect a province such as Saskatchewan to be able to borrow over that length of time. It seems to me, then, that it is imperative that we do receive some special assistance from the federal authorities, and I would hope that all members of this House would support our request to the Federal Government.

I mentioned, yesterday, that I was not going to spend very much of my time in answering some of the rather foolish and ridiculous criticisms levelled at the budget by the hon. member for Maple Creek (Mr. Cameron). I grow wiser as I grow older, and I have found it is rather a useless waste of time to try to answer some of the ridiculous things which emanate from across the way. I have become convinced that it is not necessary for us on this side of the House to waste our time on the sort of thing which we heard yesterday. I have discovered that the people of the province put their own interpretation upon remarks such as we heard yesterday, and that, of course, is one of the reasons why the strength and support of the Liberal party has been falling off very rapidly over the last few years.

Mr. McCarthy: — Not according to statistics!

Mr. McDonald: — You're on the road to extinction.

Hon. Mr. Brown: — I'm getting the usual from across there. I mentioned, yesterday afternoon, that I wanted to spend what time I had at my disposal today to give a review of the operations of the Saskatchewan Power Corporation during the last year, and to give the House some idea of our plans for the year 1958. I think it is only right that members be given some accounting of what we did with the money which was supplied to us last year, and I am sure they are anxious to know what we intend to do with the \$57 million which the Provincial Treasurer is going to be called upon to find for our use this year.

Last year, 1957, was, of course, the most active year in the Corporation's history. The expansion of our generating facilities and our transmitting facilities continued at an extremely rapid rate. Distribution was extended throughout the province to make electricity and natural gas services available to many more people during the year. Our farm electrification program, which was not quite as heavy as the year previous, brought service to over 7,000 additional dwellings in the rural areas. Not all of those were farms. Some of them were schools and other residences. During the year we added to the Corporation's system some 23,500 customers. These included those added to the electrical system and to the natural gas system.

Again, the amount of energy the Corporation was called

upon to supply to the customers increased by approximately 20 per cent over the year previous. In fact, a total of almost three-quarters of a billion kilowatt hours were generated by the Corporation's plants throughout the province. At the year end we had on our natural gas system some 30,000 customers. 13,000 of those were added during the year. We also had at that time some 147,000 electrical customers. If you add to this 187,000 customers of the Corporation who are served direct, those who are served in centres which are supplied in bulk by the Corporation, we find that the Corporation is actually supplying energy to over one-quarter of a million people throughout the province.

The financial picture at the end of the year — and I want to point out, Mr. Speaker, that there are only preliminary figures, because the financial statement of the Corporation has not been finalized or tabled as it is still in the hands of the auditor; but the preliminary figures which are available to me indicate that the condition of the Corporation at the end of the year was, generally speaking, very good, and remained quite robust, contrary to the whisperings of the little birds who apparently perch on the shoulders of the Leader of the Official Opposition (Mr. McDonald) and tell him facts to the contrary.

Gross revenues for 1957 amounted to \$23,149,000. We realized a net earning of \$1,880,000 approximately. That, of course, is realized after all expenses have been paid and interest charges have been taken care of. During the year some \$23,390,000 was paid out for work and progress. That brought the total of the fixed assets of the Corporation, at the end of the year, to somewhere in the neighbourhood of \$142,552,000.

During the year the two new stations which are presently under construction, one at Saskatoon and one at Estevan, moved steadily towards completion. They experienced no serious obstacles or set-backs with regard to the construction of those plants. At Estevan, the dam which was constructed required only the finishing touches by the end of the year, and it will be ready to impound water with the spring runoff. The station itself is going up on schedule, and we hope this summer that we may be able to begin operating the first 66,000 kilowatt unit at that plant. The sister station in Saskatoon is rapidly taking shape, and the main buildings and a pump house have been enclosed; erection of the first boiler is about 50 per cent completed. The condenser for the turbine was delivered and ready for erection at the end of the year 1957.

An important part of each station, of course, is the switch-yard where the power which is generated in the station is gathered, controlled and dispatched. These switching stations were well underway in 1957, and were paralleling the construction stages of the stations themselves.

During the year, while the major emphasis was, of

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course, placed on these two major stations, the other stations were not neglected. The existing station at Estevan reached its full capacity of some 73,000 kilowatts during the year with the addition of a 33,000 kilowatt unit. In Swift Current, a 3,000 kilowatt unit was added during the year, and that brought the capacity of that plant to 14,500 kilowatts. At Kindersley, the first of two gas turbine units arrived for erection during the month of July. That unit was installed and is presently undergoing tests, and a second unit which was planned for the station is presently under erection.

I think it is interesting to note, Mr. Speaker, that the reserve capacities on the three systems of the Corporation — that is, the Estevan-Yorkton-Regina system which is served from Estevan, and the region west of Moose Jaw, which is served from Swift Current, and the northwest part of the settled area which is fed from Saskatoon and Prince Albert, Kindersley and Unity — were 17 per cent, 9 per cent and 12 1/2 per cent respectively. This represents the amount of spare capacity on each of those systems which we had over the peak load for the year. It has been pointed out in this House by yourself, Mr. Speaker, during the years that you were responsible for the Saskatchewan Power Corporation, that, at the present rate of load growth which we are experiencing, the generating capacities of the Corporation must be doubled every four or five years in order to keep ahead of the growing demands for power.

I would just add that keeping ahead of demand also involves maintaining an adequate reserve capacity. The engineers tell me that the rule of thumb for assessing required reserves is that they should be equal to the capacity of the largest single unit on the system. The Corporation has not yet achieved that very desirable margin on any of the systems, although we are, of course, fast approaching it. It is estimated that at the rate of load growth, the Corporation would need over 320,000 kilowatt capacity in 1959. In 1957, some 41,000 kilowatts of new capacity were placed in service. That brought the total system capacity to 242,000 kilowatts. By 1959, the first unit in the new stations in Estevan and Saskatoon will be in operation as well as the second gas turbine unit at Kindersley; when all of these units are placed in service our total capacity will rise to 370,000 kilowatts.

In 1957, there were 93 miles of pole set from Hawarden to Pasqua to carry the 138,000 volt line connecting Estevan and Saskatoon stations. A total of 175 miles of 72,000 volt line was also completed. In addition, over 250 miles of lower voltage line were built. By the end of 1957, more than 850 communities were supplied by Corporation facilities. The farm program brought power to almost 6,600 farms, and 771 other rural customers.

I think, Mr. Speaker, that 1957 marked an historic event in our farm electrification program. It was the first year since

1949 in which fewer farms were electrified than the year before. That, of course, points up the fact that the farm program is rapidly drawing to a close and we can expect, in the years ahead, that the number of farms which are electrified will decrease year by year. To electrify these 6,600 farms in 1957 it was necessary to construct some 6,250 miles of farm line. That brought the total mileage of farm line in the province to over 45,000 miles.

I should mention, too, that during the year 1,300 oil wells and 200 other oil-field installations received power from Corporation facilities.

That is just a very brief resume, Mr. Speaker, of the work of the Corporation during the year just past. It would take considerably more time than I wish to spend today to give a really adequate breakdown or report of all of the activities of the Corporation.

I would like to turn now, for a moment or two, to the programs which the Corporation will be undertaking this year. It will give you some idea at least of what the Corporation intends to do with the \$57 million the Provincial Treasurer will be called upon to borrow and supply to the Corporation.

During 1958, with installations already proceeding, the first generating units in each of the new plants will begin operation. I mentioned a moment ago the second gas turbine unit at the Kindersley plant will also be completed, and the second of the gas turbine units will be in operation at that plant. During 1958, the transmission program will see the first linking of the northern and the southern systems, culminating several years' work which has brought lines southward from Saskatoon and northward from Estevan to meet at Pasqua. I will point out that it has been a long-standing aim of the Corporation to integrate all of the systems by transmission lines so that power may be interchanged between any station and any load centre.

The 72,000 and 138,000 volt lines which have been built have been planned for this purpose. I mention, too, that one of the many advantages of the inter-connecting high voltage transmission system, which is being developed, is that by making the interchange of power between stations, it allows the margin of reserve capacity over the whole system to be reduced. Should there be failure of power supply from any source on the system, it can be made up from spare capacity which may be available at other points. This, of course, will have the effect of reducing the amount of generating capacity which would be required over the entire system.

A further step in the direction of complete integration of all systems will be the construction of a high voltage line from Wolverine to Yorkton, and that will enable us to move power from Saskatoon

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across to the Yorkton area. We are hopeful that this step will alleviate, to some extent at least, some of the rather bothersome problems which we have been encountering in the Yorkton-Melville area.

The farm program for 1958 provides for a maximum of 5,000 farms. These will include an increasing proportion of farms with more than the average mileage, and the total cost is increased, so that a budget figure of nearly \$6 1/2 million is provided for capital costs.

As I have mentioned, Mr. Speaker, I intended only to touch on some of the highlights of the 1958 program, and I would like to take my remaining time and discuss very briefly the expansion of the natural gas system which is operated by the Corporation. As I mentioned a moment ago, during 1957 the Corporation added to the system some 13,000 customers, bringing the total at the year-end to around 30,000. Service has already been established in some 37 centres, including the cities of Prince Albert and Saskatoon, North Battleford, Swift Current and Regina. Regina, of course, was added to the system last year, it being the largest undertaking of its kind by the Corporation since we first began to supply natural gas in the province. During last year some 52 miles of transmission pipe was laid, and that brought the total mileage of transmission pipe of the Corporation to over 700 miles.

To supply customer requirements during the year, the Corporation purchased more than 10,120,000,000 cubic feet of gas from gas producers. Besides that, almost one-half billion cubic feet was received from Trans-Canada Pipelines in return for gas which had been supplied, earlier in the year, to enable them to test and purge their line which went through the province. As planned, the Regina distribution system was supplied entirely with gas contracted for by the Corporation with Trans-Canada Pipelines.

I would like to mention that, during the past year, two steps were taken by the Corporation to assure future supplies of gas for the Corporation's system. Arrangements were completed for the export of gas from the province of Alberta. This gas is to be drawn from the Hatton-Many Islands field, which underlies both the province of Saskatchewan and Alberta. During the year, too, we negotiated a contract to purchase the full production of dry gas from the Steelman Gas Company's flare gas processing operation, which will be established in the Steelman-Alida field.

Just as a point of interest, I might say that, during the year, over 68,000 service calls were made by Corporation personnel to activate appliances, to make minor adjustments and things of that nature. I might point out, too, that during the year there were no serious accidents which could be attributed to the use of natural gas. That speaks, I think, not only for the safety of this fuel, but also

for the efficiency of the Corporation's personnel who are in charge of the operation of the natural gas system.

Now, what of 1958? I am sure there are many people, in many communities throughout the province, who are anxious to know just exactly what the Corporation's plans are for the extension of the natural gas distribution system. I am sure of that, Mr. Speaker, because during the last few months I have received calls from individuals, delegations, Boards of Trade, town and city councils, all of whom have come to me, with a request that the Corporation give consideration to the early installation of a distribution system in their community. Again I think that points up the fact that this premium fuel has been accepted wholeheartedly by the people of the province, and those who are not fortunate enough to enjoy gas service at the present time are exceedingly anxious to obtain that service as quickly as possible.

I would like then, just briefly to acquaint the House with the Corporation's plans for the extension of the natural gas system during this current year. The gas program for 1958 will involve an expenditure of some \$16 million. The major expenditures will be in relation to the provision of adequate gas supplies, particularly with respect to the southern gas system. The Board of Transport Commissioners in Ottawa recently issued a permit providing for the transportation of gas across the interprovincial border, and thus the last obstacle to importing gas from the province of Alberta has been removed. As I mentioned a moment ago, we completed our negotiations with the Alberta Government during the past year, and were able to obtain the permit for the export of gas from Alberta to Saskatchewan and, as I mentioned, the only other obstacle we were faced with was the obtaining of a permit from the Board of Transport Commissioners which would permit the actual transportation of gas, between the provinces.

Therefore, during 1958, the Corporation will construct a gathering system on both sides of the Alberta and Saskatchewan border in the Hatton-Many Islands field. A 14-inch transmission line will be constructed from Hatton to Success to join the existing line that now runs from Success to Moose Jaw. I would like to mention here — and I just can't resist the temptation — that this is the line, this line from Success to Moose Jaw, which a certain (shall I call him) 'frustrated politician' in the city of Moose Jaw blithely went around telling the people would be abandoned; that it would be left in the ground, and was strictly a waste of the money of the people of Saskatchewan. Well, for his benefit particularly, I would like to point out that the line will certainly be put to extremely good use during this year. The line from Success to Moose Jaw will also be extended to the city of Regina, and that will enable the Corporation, of course, to bring gas from the Hatton-Many Islands field and permit us to serve the city of Regina from that source rather than from the Trans-Canada Pipelines.

I mentioned, a moment ago, that an agreement had been

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reached for the Corporation to purchase the total dry gas available from the Steelman Gas Company's flare gas processing plant which is to be established in the Steelman-Alida field. This gas, in accordance with the terms of the agreement between the Company and the Department of Mineral Resources, is expected to be available about November 1. Therefore, the Corporation will construct a 10-inch line from Steelman to Regina via Weyburn, to bring the Steelman gas into the Regina load.

Besides these new lines to connect supply areas with the load centres, some new communities will be added the system. These will be communities adjacent to the present lines, and adjacent to lines which are to be constructed this year.

I am extremely happy, Mr. Speaker, both Estevan and Weyburn cities, which have shown very great interest in receiving natural gas service, will have distribution systems installed this year. These points will be served by gas obtained from the Steelman field. I want to point out right here that I can assure the residents of both of these cities that gas will be available prior to the heating season next fall. While it is true that gas in the Steelman field may not be available until November, the Corporation will be in a position to supply gas from the system at Regina, and the transmission line itself, from Regina to Steelman, will be constructed and ready for use in good time.

Besides these three larger communities, which will be added to the Corporation's system this year, several other smaller communities will also be added. So far, the Corporation's plans include service to Dodsland, Domremy, Lampman, Spring Water, Mortlach, Prudhomme, Success, Plenty, Parkbeg and Kinley. Besides these points I have just mentioned, one or two other points are still under active consideration, and if things turn out properly and if funds appear to be available in the Corporation's budget, I hope that, later in the year, I will have the pleasure of announcing the names of one or two other communities to which we hope to take gas service during 1958.

That just about completes the report which I wish to give on the operations of the Corporation, Mr. Speaker. I would just like to say, in closing, that yesterday, when I got to my feet to enter this debate, I was so flustered by the fact . . .

Mr. McDonald: — You still are!

Hon. Mr. Brown: — . . . the chief Opposition critic had so little criticism to offer on the budget that he went off the air 15 minutes before he needed to, and in view of that I overlooked offering my most sincere congratulations to the hon. Provincial Treasurer for once again having brought down one of the finest budgets he has had

the privilege of doing over 14 years. I want to say, Mr. Speaker, that I am sure there are thousands and thousands of other people throughout Saskatchewan who feel as I do, or wish, or hope, that what the Provincial Treasurer said the other day about retiring from politics is not correct.

Govt. Members: — Hear! Hear!

Hon. Mr. Brown: — I know there are thousands of people throughout this province who are proud and happy about the way in which the Provincial Treasurer has handled the finances of this province over the years, and they realize, of course, that it would be a blow, indeed, to see a man of his calibre and his ability leave the government service after doing such a tremendous job.

Mr. McDonald: — What are you looking for?

Hon. Mr. Brown: — I would like to suggest, Mr. Speaker, that all I can say to the Provincial Treasurer is that it must have been a good budget that he brought down last Friday. I think that is very, very clearly proved by the fact that the chief financial critic found so little to criticize yesterday that, as I say, he thought it necessary, after repeating himself for 15 minutes of that very valuable radio time which they seem to like to complain about so much.

Mrs. Batten (Humboldt): — And you couldn't use it.

Hon. Mr. Brown: — I found, Mr. Speaker, that actually there were only about four points which my hon. friend took the time and trouble to deal with. As he usually does, of course, he screamed to high heaven about the money which the Crown Corporations, as he says, are costing the people of the province of Saskatchewan. Contrary to the facts which have been placed before the Crown Corporations Committee year after year, he made a relentless job of taking a few of the corporations which have turned out to be failures (as he termed it), and some of those which in some years did lose a little bit of money; but he forgot to say anything about the very successful Crown Corporations, and he forgot to point out that, while some of them may have lost a little money in the aggregate they have returned a very reasonable and satisfactory amount of money to the treasury of this province.

He forgot to point out that not only had these Corporations returned some money to the provincial treasury, they have also given a 'shot in the arm' to the general development of our province, and besides that, they have supplied a considerable number of jobs to the young people of this province.

I was extremely interested too to hear my hon. friend once again get up and tell us about the problems of local government.

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Mr. McDonald: — Hear! Hear!

Hon. Mr. Brown: — I would like to suggest to my friend that this Government, quite contrary to his thinking, is quite well aware of the problems which are faced by the local governments in this province.

Mr. McDonald: — Why don't you do something about them, then?

Hon. Mr. Brown: — And not only are we aware of those problems, Mr. Speaker, but this Government has tried to do something about those problems.

Mr. McDonald: — You only make them worse.

Hon. Mr. Brown: — We have gone a lot farther than the previous administration ever thought of going, and have done something which I don't think they would have ever got around to doing, and that is to invite the local government people themselves to sit down and meet with the Provincial Government and try to find the answers to these problems.

I was rather amazed, Mr. Speaker, to hear the hon. gentleman get up and say that simply because the Provincial Treasurer referred to certain expenditures in the budget which he termed of benefit to the local government — my hon. friend says, because he did that, he is now telling them (local governments) that these things are their responsibility. Well, if that isn't a queer way of thinking, I have never run into anything like it before! I'll tell you what is bothering my hon. friends with regard to local government. I'll tell you one of the reasons why they are so anxious to try to woo the local government personnel these days. In my opinion, it is simply because they are finding that the local governments, the local government representatives, are becoming more and more aware of the fact that this Government is really trying to provide some assistance to them, and to help them solve their problems, therefore, they are finding that they are turning away in greater and greater numbers from the Liberal party. That is what is bothering my friends, Mr. Speaker, and that is why you find one of the gentlemen opposite will get up in this House and accuse the C.C.F. of 'infiltration tactics', get up and say that we are infiltrating local governments.

Mr. Cameron: — It's true!

Hon. Mr. Brown: — Well, I'd like to know if we have reached the stage in this province, Mr. Speaker, when a person who is C.C.F. cannot participate in local governments? The gentleman says, too, that we are infiltrating the co-operatives. Am I to take it from

that, Mr. Speaker, that the C.C.F. people are not supposed to join co-operatives? The gentleman even says we are infiltrating the churches. Well, is it now a crime for a C.C.F.'er to join a church and belong to a church?

Mr. Cameron: — You preach!

Hon. Mr. Brown: — To me, Mr. Speaker, that smacks of only one thing, and it's something that I have had in my mind for a long time. In spite of all of their talk of democracy, the Liberal party is Fascist at heart, and they now want to say that we in this province cannot participate in local governments, cannot belong to co-operatives, and we cannot belong to churches. That's the sort of thing we've been putting up with in this House for a great number of years.

There are a great many more things I would like to say, Mr. Speaker . . .

Mr. McDonald: — Oh, go ahead!

Hon. Mr. Brown: — . . . but I think I have taken up the time of the House, and I don't think I have left any doubts but that I intend to support the motion.

Hon. L.F. McIntosh (Minister of Municipal Affairs): — Mr. Speaker, I note the hon. member from Maple Creek (Mr. Cameron) has made a correction of a publication that appeared in this morning's 'Leader-Post' in connection with the distribution of population as between the provinces of Saskatchewan, Manitoba and Alberta. Therefore, I will not be able to use the statistics that I have gathered in connection with that subject, other than to say that, if I understood his address rightly, yesterday, I got the impression that there was a difference of some 300 between the death-rate and the birth-rate in the province of Saskatchewan; approximately 300.

Mr. Cameron: — Two hundred and seventy-four.

Hon. Mr. McIntosh: — Thank you. Well, I am sure the hon. member from Maple Creek isn't going to hold the Government responsible for that deficiency in the birth rate over and above the death rate. I noted, however, that he did refrain from remarking about the population shift in the years 1936 and 1944.

Mr. Cameron: — Here we go! Back to the '30's!

Hon. Mr. McIntosh: — Manitoba's increase was from 711,000 to 727,000 — a gain of 16,000 people in the years 1936 to 1944;

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Saskatchewan, in the same period, declined from 931,000 to 836,000, or a loss of 95,000 under the last eight years of Liberal regime in the province of Saskatchewan.

I was particularly interested, also, in his remarks regarding industrial development as one of the key problems facing the economy of the province of Saskatchewan. Might I, then, Mr. Speaker, just quote a few lines from the Provincial Treasurer's Budget Speech of Friday:

"Mineral production again made the most important advance in the province. In 1957 value of output is placed about \$158 million, 37 per cent higher than in 1956. The construction industry operated at peak levels throughout most of the year, and the value of work performed is expected to surpass the record 'intentions' figure of \$365 million forecast early in 1957. In manufacturing, the output of such new plants as steel pipe, cement, wire and cable, paper bags and so forth, was added to long-established industries, and total value of shipments rose to about \$320 million."

Then, if we take a look at the expenditures on petroleum development, in dollars and if we take the year 1954, we find that \$86,419,000 was expended, and in 1956, \$154,700,000 in the field of petroleum development. Then if we look at the record for 1957, keeping in mind that in 1956 the expenditures were \$154,700,000, we find that the expenditures in 1957, rose to \$171,000,000 in the overall field of oil development. We now have oil wells producing, or capable of producing gas. That does suggest to me, Mr. Speaker a very enviable record of industrial expansion in this province of ours, that is located, geographically, in such a position that the question of transporting manufactured goods to the areas of population and to the areas of sale is always a very difficult problem associated with industrial development.

Mr. Speaker, I should like to deal particularly, this afternoon, with local rural and urban municipal governments. It is interesting to note that, in 1940, the taxable assessment of rurals and urbans in the province, excluding local improvement districts, was \$991 million. By 1945, as a result of the equalized assessment, the taxable assessment dropped to \$822 million. By 1956, the taxable assessment for rurals and urbans is slightly in excess of \$1,000 million. I have heard, I believe in this House not so very long ago, that the taxes are three times higher than they were when this Government took office. Well, Mr. Speaker, that figure is only about 32 per cent out — 32 per cent in excess of what the actual increase has been during the past 14 years in the field of local government.

Then I also heard quoted the taxes on certain quarter sections of land in the R.M. of Nipawin, No. 487; and it is true, and I have stated this on many occasions, that some of the finest agricultural land that lies out of doors is in the Carrot River valley. I

would be prepared to make that statement here in the city of Regina, or in the town of Rosetown. What I have reference to is agricultural land, soil that is adaptable to the production of a great variety of foodstuffs; and you can go into the Nipawin area, or the area between Nipawin and Tisdale, and you will find land there assessed at \$4,200 a quarter; you will find land assessed there at \$3,400 to \$3,600; and if you are going to single out individual quarter-sections of land and quote the taxes levied there, no doubt you are going to be able to get a reasonably high tax rate. But should we, Mr. Speaker, look at the average assessment per quarter-section in that municipality, and then take a look at the average tax bill charged the ratepayers by the local government of that municipality, we find that there are about 1,230 quarter-sections of taxable land, and we find that the average assessment per quarter-section is \$2,300 and not \$4,200; and we find that, in 1956, the municipal taxes per quarter-section, on the average, were not \$102, but \$56.35. Add to that the school tax, add to that the union hospital tax, add to that the hail tax, and you will find that the average taxes levied by local government per quarter-section were \$133.40 and not \$243.60.

Something has been said about tax collections, and I note that, in 1955, the arrears of taxes in the local municipalities (that is, the property tax) were \$17 1/4 million; in 1956, slightly over \$16 million, and in 1957, \$14,390,000, or a drop of close to \$3,000,000 in tax arrears between 1955 and 1957, based on 172 returns from rural municipalities, they had collected 105.2 per cent of one year's tax levy; and I am very proud to note that in the Local Improvement Districts, as of the same date, we collected 115 per cent of one year's tax levy.

It seems to be a very interesting pastime on the part of some hon. members to make comparisons between the three prairie provinces relative to tax collections, tax levies, etc. Might I say that, in the 1956-57 fiscal year, the total general municipal tax levy (and that includes schools as well as municipal taxes) in both rurals and urbans was \$23,441,000 in Saskatchewan; \$30 1/4 million in Alberta; slightly over \$24 million in Manitoba. Now then, we must take a look at the taxable acreage in these provinces. We find, in Saskatchewan, the taxable acreage of rurals and urbans is just under 60 million acres; in the province of Alberta, it is slightly over 16 million acres of taxable land. Now we then take a look at the tax per acre levied by the municipalities of Saskatchewan, and we find it is 23.3 cents per acre; in Alberta, it is 31.7 cents per acre, and in that great province of Manitoba that has had for a great number of years a great national party Government administering the affairs of their province, the taxable levy there, is 47.6 cents per taxable acre.

Then we will take a look at the net debenture debt and we find, in the province of Saskatchewan, both rurals and urbans,

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\$43,408,000. We go to the province of Alberta, and we find the net debenture debt there, rurals and urbans, to be \$163,171,000, and in the province of Manitoba, \$57,170,000 against \$43,408,000 in the province of Saskatchewan.

Mr. Speaker, we will take a look at those 'downtrodden' rural municipalities where the administration of the affairs have not in the opinion of the members opposite, been of a high calibre, and we find that the per capita net debt in the rural municipalities of this province is .37. In the province of Alberta, it is 8.99 and in the province of Manitoba, it is 2.04.

Mr. Gardiner (Melville): — What do you want to change the system for them?

Hon. Mr. McIntosh: — Now, one naturally takes a look at what the present Government has attempted to do to assist rural municipalities during the past 15 years, and I know hon. gentlemen opposite probably are not inclined to refer to the Public Revenue Tax, which was cancelled in 1953. The five years of Public Revenue Tax that the Provincial Government did not ask the rural municipalities to collect and turn over to the provincial treasury, amounted to \$6,648,000 based on the taxable assessment for those years. We take a look at the urbans — \$3,417,000 or a total of \$10,066,000 in Public Revenue Tax that would have been paid over to the Provincial Government in the past five years, had the Public Revenue Tax been imposed during that period of time. And, Mr. Speaker, what did that mean to each rural municipality during those five years? The average per rural municipality worked out at \$22,200 during that five-year period, or a little better than \$4,000 per municipality per annum.

I don't think we should overlook the fact that, at one time there was a provincial railway tax, where, up until 1948, the Province collected taxes on certain of the branch railways in the province of Saskatchewan. It must not be overlooked, also, that the oil and gas pipeline people and oil-well people came to this Government and suggested to the Government that they would be prepared to pay the Government the taxes levied in the various municipalities; but the Government said they thought it best for them to deal with the local municipalities. So it is interesting to note that the taxable assessment in the province on railway properties, both rural and urban, is \$11,263,000; oil and gas well equipment, \$17,900,000 or a total of over \$29 million of taxable assessment on railways, oil and gas pipelines and oil and gas well equipment. This does not include the Trans-Canada gas pipeline.

The taxable assessment of the Trans-Canada gas pipeline is \$4,172,000. Now, I might add, there, that the 13 municipalities lying west of Pense did collect, last year, on \$1,745,000 worth of assessment, for a period of four months during 1957; this year, the

Trans-Canada gas pipeline will be paying taxes on an assessment of \$4,172,000. Now you add this to the railway and to the oil and pipelines that we have in the province, and you will get \$33 million taxable assessment and, based on the mill rate that prevailed in the municipalities in 1957, this would give them \$1,350,000 of revenue.

Mr. Cameron: — Are you taking credit for that?

Mr. Gardiner: — Yeah, the Government gave them that.

Hon. Mr. McIntosh: — Just the other day it was mentioned in this House that there were four municipalities surrounding the town of Humboldt. I think it was also mentioned that there is some very high-quality land in the vicinity of Humboldt. Mention was made that these four municipalities received by way of grants, in 1957, a total of \$64,000, or an average of \$16,000 per municipality. Mr. Speaker, I then took the trouble to look back to the year 1944-45 to see what the total grants were in that year — the last year of 'old guard' of the Liberal Government; and it was an election year, naturally. I took a look to see what they gave in for roads and I took the total amount of money that was granted in that year, and it worked out at \$1,250 per municipality. I want to say here, Mr. Speaker, than when mention was made of \$16,000 per municipality for four municipalities in the Humboldt district, it was below the average for the province and, if you take a look at the budget for this year, you will find that this makes provision for an average of \$17,000 per municipality to in the field of public works.

Now then we will take a look at 1955 to see if we are making any progress in assisting rural municipalities in this very important field. In 1955, we found that we assisted them to the extent of 20 per cent of the total expenditure in the field of public works; in 1956, 23 per cent; in 1957, it went up to 33 per cent; and there is a considerably larger sum of money voted in the present budget that is before the House for this purpose, than there was in the budget of a year ago.

Mr. Kramer: — And no election in sight!

Hon. Mr. McIntosh: — We are probably two years or more away from an election.

Now, Mr. Speaker, dealing for a moment or two with the grid road program, I think we all recognize, and I think we all appreciate, that the class of road required today, to carry the vehicles that are using these roads, calls for an entirely different class of road than that which was needed fifteen twenty or thirty years ago. I was rather interested to hear someone mention, during the Golden Jubilee, that in 1905 there were 22 cars in the province of Saskatchewan,

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and no trucks; and by the end of 1957 there are approximately 300,000 cars registered in the province of Saskatchewan. That, in itself should be sufficient indication of the type and kind of roads needed to carry the kind of vehicle that the people move to and fro with. I want to say, here, that possibly in 1956 some municipalities thought that the standard of the grid road was somewhat high. By the end of 1957, a substantial number of rural municipalities were questioning whether or not a 22-foot surface on a 100-foot road allowance with a 1 x 3 back slope was of a sufficiently high standard to take care of the free movement of traffic the year around. So I want to say that the rural municipal people require the class of roads that are being built under the grid system.

Under the standard grid road formula, the Government assistance ranged from 40 to 65 per cent. That is the standard formula, or the standard range of assistance. Now, in addition to the normal percentage, the Government will pay an additional 15 per cent above the normal percentage where the cost exceeds \$4,000 per mile, on the average, of that particular project. And if the cost of gravelling exceeds \$900 per mile, the Government will pay an additional 20 per cent above the normal percentage for gravel. The Government also decided they would take care of the cost of building the grades from the top of the ferry hills to the waterfront, and that is rather an expensive undertaking if you are going to build them to a decent standard.

Then we find that about 8 per cent of the municipalities have 20 miles or less of grid and the balance, 92 per cent, have mileages ranging from 20 to 93 miles. The municipality with the 93 miles is the R.M. of Moose Range, No. 486, and that is a very large municipality. In 1956, 194 rural municipalities, 11 local improvement districts and 14 towns and villages, made application for construction of 1586.2 miles. In 1957, 247 rural municipalities (or 85 per cent of the total), 11 local improvement districts and 14 towns and villages, made application for construction of 1455 miles of construction. You will note, Mr. Speaker, that I said they 'made application' for approval for the construction of that mileage; and in the spring of the year when the applications are made, we, as a Department, don't know or probably the municipalities do not know for sure, whether or not conditions are such that they will be able to complete the mileage for which they have made application for approval.

It is interesting to look back on the year 1956, when we have a complete record, for we find that the contracts that were 1st by tender, on a mileage basis, worked out on an average of \$4,094.81 per mile. The rural municipalities, using their own equipment and operating on an hourly basis, built their mileage for \$4,247.50 per mile. Contracts let on an hourly basis — that is excluding the municipalities' equipment,

but let out on an hourly basis to outside contractors — worked out at \$5,871.77 per mile. So we suggest that, in 1958, we will not be inclined to approve of any contract let by municipalities on an hourly basis. However, it was interesting to note that, in 1957, the rural municipalities, having had one year's experience, approximately 40 per cent using their own equipment, 10 per cent let contracts on a mileage basis, 40 per cent let contracts on a yardage basis, and 10 per cent let contracts on an hourly basis; so it looks as though rural municipalities themselves are moving from contracts on an hourly basis to contracts on a mileage or on a yardage basis.

Now, Mr. Speaker, we have a staff of engineers. We had to recruit them in 1956 and they had to undergo certain training in the field. We find that, in 1956, and again in 1957, our district engineers have approximately 50 municipalities to look after, and putting it on a township basis, their territory ranges in size from 455 to 770 townships per engineer.

Might I just move along then, Mr. Speaker, to the question of the bridge formula. The assistance on municipal bridges, ranging in size from 20 to 100 feet, works out at from 20 to a high of 80 per cent government share to the municipalities, depending upon the number of 20-foot bridge spans that the municipalities have within their boundaries. On bridges of 100 feet or more, the Government carries the full cost.

Now taking a look at the Green Lake settlement, which is largely Metis, we find that we have a total acreage under cultivation of 2,294 acres. In addition to that there are 354 acres cleared and ready for cultivation; and this is divided by 718 acres on the central farm and the balance of that acreage is on the Metis holdings — the Metis' plot. There were some 23,200 bushels of grain produced there in 1957 and we have 190 head of cattle, somewhat less than last year; but they are going through a culling process, trying to build up the proper type of beef herds in that area of the province.

I don't think I could let this opportunity go by without saying a word or two about freight rates inquiries that have been going on ever since 1946. Hon. gentlemen will recall that, in October of 1946, the Canadian railways made application to the Board of Transport Commissioners for a \$30 per cent increase in freight rates; and there has been continuously a series of increases asked for by the railways from 1946 right up to the present time. During that period of time freight rates have increased 120 per cent, or they are 120 per cent higher now they were when the railways made their first application for an increase in freight rates.

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Having said that, I believe, Mr. Speaker, hon. members of the House should be somewhat concerned about the St. Lawrence Seaway. You see, after all, there is an indication that, within the next 12 to 18 months, ocean-going vessels will be coming inland to the head of the Great Lakes, to Fort William and Port Arthur, and the benefit that will accrue to the people of the province of Saskatchewan, as a result of that new method of transportation is going to be contingent upon what tolls, if any are charged on incoming and outgoing cargo.

The Government of Saskatchewan, in co-operation with the Government of Manitoba and, we hope, with the Government of Alberta, will, within the next few weeks, be presenting to the Government of Canada a brief asking that the Government of Canada give very serious consideration to no tolls on the canal on the Great Lakes. The Act passed, known as the St. Lawrence Deep Seaway Act, suggests that the capital investment, plus the operating costs of the St. Lawrence Seaway, be paid over a period of 50 years under an amortization basis. British shippers, who have had more experience possibly than any other group of shippers in the world, suggest that if there are going to be tolls, and if the Government of Canada and the Government of the United States suggest that by these tolls, the capital should be repaid and the operating costs, nothing less than 90 years should be the minimum period of time when the capital cost, along with the operating costs should be repaid, in order to keep the tolls low enough to attract traffic on the St. Lawrence Deep Seaway. So, Mr. Speaker, at the present time we have some very able personnel studying this question of tolls or no tolls on the St. Lawrence Seaway.

I do not propose, at this late hour, to go very deeply into the question of the future of agriculture, but I think we can all appreciate how vital and how important it is to the economy of the people, not only of the province of Saskatchewan, but to the future of the citizens of the Dominion of Canada. I don't think I can let this opportunity pass without quoting from an editorial that appeared in the 'Western Producer' on May 16, 1957, quoting an address given by the then Prime Minister, Mr. St. Laurent, on May 7th, and these are in quotation marks:

"While Saskatchewan is making substantial progress in other industrial fields, . . ."

Get that, hon. members opposite!

". . . agricultural production is still of first importance to this province, and, of course, in value of farm produce Saskatchewan is Canada's banner province.

"Everything possible must be done to maintain agriculture. It is one of the main supports of our national economy. To do that we must ensure that our farmers have available to them the latest results of scientific research and the best advice that our experts can provide.

"For many years the Federal Department of Agriculture has encouraged agricultural research. Federal experimental farms endeavour to find scientific solutions to the problems encountered by farmers in all parts of Canada."

Not one reference to the price for a bushel of wheat, or a pound of foodstuff, that the farmers off this province and other provinces produce! That took place on May 7th. Then, on May 20th, the then Minister of Trade and Commerce had a meeting in the auditorium of the Morris High School, according to the Winnipeg 'Free Press':

"Jeers, boos, catcalls tear rally to pieces. If you'll excuse me, said the Minister of Trade and Commerce, I'll be on my way."

Mrs. Batten (Humboldt): — He was a gentleman to the very end.

Hon. Mr. McIntosh: — And might I just mention a line or two in a brief that was submitted to the members of the Federal Government by the Saskatchewan Wheat Pool on 9th March, 1957. They say:

"Canadian wheat policies still require the producer to carry practically the entire burden of meeting government-subsidized production and marketing in other countries. As an example, for the production efforts in 1956, the Saskatchewan wheat farmers can possibly look forward to a net final return of \$1.29 and the actual average price being paid counterparts in North Dakota was \$2.08."

Then they make mention of the subsidizing of agricultural commodities with special reference to wheat, in other lands. They go on to say:

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"The Governments of many other countries have taken unusual measures to maintain the income of their agricultural producers. The following table shows the approximate support price offered by a few governments to their producers during the year 1955-56: Ireland, \$2.06 per bushel; the United Kingdom, \$2.31; Belgium \$2.56; Austria, \$2.63; Germany, \$2.73 . . ." and so on.

But I think here is the interesting point. These payments in the United Kingdom, one of the ways in which the government supports agriculture is through a system of deficiency payments. These payments apply to all the important farm commodities and the budget for the current year, which is 1955-56 (the year they are referring to), is reported to be more than \$3 billion; and I understand, either in Swift Current or Medicine Hat, the other day, the Leader of the Liberal Federal Party said that, if returned, "We will pay farm storage. It will amount to approximately 5 and a fraction cents a bushel, which will mean \$20 million."

Now, Mr. Speaker, I am confident that every member of this House, both on the other side and on this side, will appreciate that there is only one solution for the food producers, particularly those of western Canada, and that is a return for the labour expended in the production of that foodstuff that would give them an equitable share of the national income of all the people of the Dominion of Canada. And the 'Western Producer', again, and that is not a politically biased paper (I don't think it is), under date of Thursday, February 20, had this to say:

"More and more people all over the world are coming around to view that the present East-West struggle will ultimately be decided in the field of economics. Which system — that of communism or that of democracy — can best serve man's needs everywhere. On the answer to that question our survival as free people may depend."

Then they go on to deal with the question that is foremost in the minds of a vast majority of people in the province of Saskatchewan:

"Of course, it will be argued that Canada cannot possibly afford to use her surpluses in this way, that is, the way in which the United States is using hers. The very people who say this oddly enough, would be the last to suggest that we cannot afford to maintain ourselves

in a position of military preparedness. Yet we are spending billions — yes, billions — in doing just that. Yet the chances are that the equipment we are making will be out of date before it can be used, and will have to be replaced by more up-to-date equipment at the cost of billions. All this for a war not yet begun and which, as we hope, may ever begin.

"But the economic war is on. The battle lines are drawn, and are we to refuse to fight it? Are we to throw our hands up without ever a struggle? That is the basic problem that is facing the people of Saskatchewan, and the people of Canada, today."

So, Mr. Speaker, while the present budget is a recognition of that problem, I am sure all hon. members on this side, and, I would hope that all hon. members opposite will have a decent appreciation that the Government of Canada, the Federal Government of our great country, has full and complete control over interprovincial, national and international marketing -e

Mr. Gardiner: — Not with fish.

Hon. Mr. McIntosh: — . . . full control over the monetary system, and those are the factors that are causing a depression in the field of agriculture in the provinces of western Canada, in particular, at the present time.

I trust, Mr. Speaker, when the hon. members come to consider the budget that is now before the House, they will give every consideration to a reasonable, equitable distribution of the revenues over a very broad field of services, and with special reference, Mr. Speaker, to the \$5,235,000 voted to the Municipal Road Assistance Authority to assist rural municipalities in carrying out their responsibility in the field of public works.

It is not necessary for me to say that I have a great appreciation for the distribution of the revenues throughout the various departments of Government, and I am quite willing, without hesitation, to give my support to the budget and the Estimates which are now before the House.

Hon. J.T. Douglas (Minister of Highways): — Mr. Speaker, in rising to take part in this debate, I would like first of all, to extend my congratulations to the Provincial Treasurer (Hon. Mr. Fines) and to other members of this House who have preceded me.

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I would also like to call attention to the address which we heard, yesterday afternoon, and while I sat here listening to the voice of the member for Maple Creek (Mr. Cameron) I could not help but realize that, to a very large extent, the words were those of Ross Thatcher!

Mr. McDonald: — You've got a good imagination.

Mr. Gardiner: — How did the Premier feel?

Hon. Mr. Douglas: — This afternoon you have listened to a very full discussion of municipal affairs in this province, but there is one section of municipal endeavour which affects my Department — a bit of a change in the policy of the Government, and I will draw the attention of this Legislature to it, this afternoon. This has received some notice in the press and all municipalities have been notified (that is, the urban municipalities have been notified) of the change; but I would like to tell the members of this House just what has been done in this respect.

Firstly, I would refer to the cost of those projects which form part of the highway system within the city or town limits but are not within the built-up area. On those sections of highway in such an area it is the intention of the Department to continue the policy we have been following in the past. That is, we will continue to assume the full responsibility for the cost and for the maintenance of those sections. When we come to the built-up area of the urban municipalities then it is the intention of the Department to assume full responsibility for the construction of those streets which form part of the provincial highway system in towns of populations of 5,000 or less; 75 per cent Departmental in population ranges of from 5,001 to 15,000; and 50 per cent Departmental responsibility in population ranges of 15,001 and over.

That, of course, will be dependent upon whether or not the Department is building up those streets on highways adjacent to those sections which I have just mentioned. In cases where the Department is not constructing the highway up to those streets, we will undertake to assume 50 per cent of the cost up to 20,000 population.

In the matter of right of way, we agree that the right of way will form part of the cost for which we will assume our share of responsibility on the basis of the policy which I have just announced. The same is true, of course, of design; but in the matter of design we will ask the municipalities to submit to us the designs for these streets so that they can be passed upon by our engineering staff.

In programming, of course, we will ask the various

municipalities to place before the Department, by November 1st of each year, their programs for the coming year so that we will have the opportunity not only of examining these programs, but also of providing for our share of the cost in the incoming budget. That is the policy we are adopting in regard to assistance to urban municipalities.

There are one or two other policy changes which I think I should bring to the attention of this Legislature. One which we commenced this year and has cost a considerable amount of money, is in ice control. You will all realize that, during the present year, we have suffered a great deal from the formation of ice on the highways of the province, and we have extended, this year, the former policy of sanding serves and hills to that of the entire blacktop system in the province. As I said, it has cost a considerable amount of money, but it was fortunate that we had undertaken that change in policy because of the conditions that exist.

Another change in policy which will be of interest to you is that we are now accepting as the minimum for provincial highway purposes what is known as our 'Class D Standard' — that is a 28-foot top highway where previously we had been accepting a 24-foot as sufficient for the lower-class type of highways in the province.

In the realm of planning we have, this year, set the groundwork for a planning department. A planning engineer has been appointed and, as the years go on, we hope to build up that branch, which has become very necessary in this day and age, when your types of highways are of a much higher standard and require a great deal of research work and a great deal of planning, if we are to make the best use of the money which has been placed at our disposal.

Another thing that we are doing, this year, to a much larger extent than in the past, is that, in taking our traffic counts, we are now doing more of what is known as the 'Origin-Destination Test'. This, again, is becoming necessary in those areas which are becoming more densely populated, and where it is necessary for us to secure this information if we are to determine the class of highway that must be built to provide for the upgrading of traffic which was mentioned by my colleague just a few moments ago.

During the past year we in Saskatchewan played host to the Convention of The Canadian Good Roads Association, which is now known as Canada's 'Parliament of Roads'; and it was one of the best conventions that the organization has held. At this time I would like to pay tribute to those various committees in the city of Saskatoon who worked very closely with this Department in providing for the comfort and the entertainment of the people who attended that convention. Not only were they well taken care of in that respect, but that convention has gone on record as being one of the most important and the most

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informative of any that the organization has held throughout its history.

The second meeting which I think is of interest is the annual meeting of the Canadian Technical Asphalt Association that was held in Regina, last fall. This is a new organization, but it is an organization that is doing exceptionally good work, and I am very glad to say that the head of our Research Branch, Mr. Winnitoy, was appointed as president of this organization.

One other thing I would like to mention which is a new innovation as far as Saskatchewan is concerned, and I think possibly as far as Canada is concerned, and that is, we have commenced a short course in highway technology. Just the other day, in fact last Friday, I had the pleasure of handing out 15 diplomas to young men who have been working in this Department — some for several years. Those boys have taken a two-month course in highway technology and it is going to help them very materially in the work which they will be doing throughout the years.

With those few remarks, Mr. Speaker, (I just thought I would get them out of the way, this afternoon), I would like to ask permission to adjourn this debate.

(Debate adjourned)

FOUNDATION PROGRAM FOR EDUCATION

The Assembly resumed, from Thursday, February 27, the adjourned debate on the proposed motion of Mr. Cameron:

"That, recognizing the growing financial crisis in Education facing local school officials and municipal bodies, this Assembly requests the Provincial Government to consider the advisability of the immediate establishment of a Foundation Program for Education in Saskatchewan."

and the proposed amendment thereto by Mr. Thorson:

"That all the words after the words "municipal bodies" be deleted, and the following substituted therefor; "and the Provincial Government, this Assembly favours the establishment of a more comprehensive Foundation Program for Education in Saskatchewan, and reaffirms its stand that the Federal Government as well as the Provincial Government, should assume a greater share of the cost of such a Foundation Program".

Mr. Karl Klein (Notukeu-Willowbunch): — Mr. Speaker, when the proposed motion was brought in by the member for Maple Creek (Mr. Cameron), I think he made it very clear to the members of this House what he meant by a Foundation Program, and I don't think there was any misunderstanding whatsoever as to what was meant by that term, when he said, 'the establishment of a Foundation Program for education in Saskatchewan'. The amendment, however, reads:

"This Assembly favours the establishment of a more comprehensive Foundation Program for Education in Saskatchewan".

This would imply that there is already a Foundation Program in Saskatchewan. I submit, Mr. Speaker, that the amendment is in direct negation of the proposed motion, and on those grounds I would submit that the amendment is out of order, and would ask for your ruling.

Mr. Speaker: — Well, I must rule the amendment in order. It is a matter of interpretation, and the point of order assumes a knowledge on my part of the question under debate, as to whether there is, or is not, a Foundation Program and of what the hon. member regards as a Foundation Program for Education. Therefore I rule the amendment in order.

Mr. Klein: — Mr. Speaker, when the member for Souris-Estevan (Mr. Thorson) spoke on the resolution that was brought in, he agreed with what was said about education here in Saskatchewan, namely, that we were facing a serious crisis in financing education in the province. I was pleased to note that the Government has finally realized that this is so, after being warned time and time again that they would be faced with this problem.

I am simply amazed the Government was not able to determine that they were going to run into this problem much sooner than they did. They have many figures available to them — the figures on taxation, the amount of taxation in each unit, figures showing the arrears of tax — that are piling up in the various units. In an order for Return showing the various taxation and mill rates in effect for education in all the units of the province, we find that, from 1950 to 1956, they have increased all the way from 13 mills to 31 mills. You can take any unit off-hand and you find the case is the same for all units. Oxbow, for example, in 1950 had a mill rate of 16 mills and in 1956, 27 mills; the case of the Wood River School Unit, in 1950, 15 mills and in 1956, 21 mills. This is for rural taxation only, and does not include the urban taxation mill rate.

When we check the arrears of taxes we find that, as the mill rates have been increased, so have the arrears increased correspondingly, so that arrears in taxation vary all the way from figures such as

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\$43,000 to \$533,000. You can take any unit off-hand — the Milestone Unit, for example. In 1950 their tax arrears were \$43,000 and in 1956, \$119,000; Kindersley unit, in 1950 their tax arrears were \$45,500 and in 1956, \$148,000. There is another unit, Wadena: in 1950, their tax arrears were \$98,900 and in 1956 they were \$533,800. Therefore, it must have been very obvious to the Government that those periods, 1950-56, which were considered the best periods we have ever known, periods of peak prosperity in the province; if arrears built up during those periods, what would happen if there were just a little slack in income to the person who was shouldering the taxes for the purpose of education. And yet there was no action on the part of the Government to relieve those conditions. They simply sat back and let them go, and see if they would find their own level, so to speak.

This tax rate information is not the only information available to the Government. They had different figures to show there was going to be an expected increase in enrolments in all classrooms. They were also expecting a great program in construction to provide adequate facilities for education in the province. What do they do in the face of this crisis? They simply sat back and howled that Ottawa would have to do something about it, or they dilly-dallied around with a few box factories and what have you — instead of shouldering the responsibility for education, which is the essential service in the province. They so willingly accepted the responsibility for education when they made their bid of office in 1944; but in spite of the ever-increasing budget they have experienced since they have come into power, we look at the record and we find these critical tax arrears throughout all the province, or throughout the whole of the units within the province.

I was also not too surprised when we suggested this program that we receive one of the three pat answers that the Government always have at their finger-tips. The first pat answer is that Ottawa should do more about it. The second pat answer they use is, we can't improve, we have the best; and the third pat answer is, we are already doing what they are proposing to do. In fact, we have heard these statements so often they put me in mind of the chap who decided he was going to learn how to play a big bass fiddle. So he purchased one of these fiddles and brought it home to his house, put his finger on one note of the string, took the bow and strummed the same old note over and over. After some time his wife got quite fed up with this sort of practice in music, and said, "John dear, I notice when other people play that instrument they move their fingers to different strings and they play different strings in attempting to play a tune." So John said to his wife, "Ah, that's where they're stupid and I'm smart. They are looking for the stop, and I've found it."

Now, that is exactly the same position taken by the Government in this province. If you make a proposal, they simply say,

"We already have it, and what you are proposing is of no value."

Now, in defining a Foundation Program, I have already pointed out that the member from Maple Creek clearly stated what was meant by a Foundation Program. After he gave that definition, and as more information was required, the Government simply had to refer to some of the things that are going on about them rather than hide their heads and hope that somebody else will do something about it. For example, in the public school finance program of the United States we find in there that they also define the Foundation Program. They say, "In addition to these flat grant funds, many states have provided new kinds of financial assistance designed to effect greater financial equality among the school districts. In contrast with flat grant funds, these have been called equalizing funds. They are allocated chiefly to the less wealthy school districts of the States and are important for the purpose of raising school expenditures up to some previously defined standard, or basic level. The standard program in the States are usually designated on basic or Foundation Programs."

Therefore, in the amendment, when it requests "a more comprehensive Foundation Program for Education in Saskatchewan", they must have had two things in mind. First, they either try to mislead the members of the House into believing that there is already a foundation program in the province, or secondly, that what we have in the province now is better than the foundation program that we propose. They are naturally wrong on both counts. We neither have a foundation program, nor do we have something better than what we are proposing in the main motion. Today, grants are made on an intricate formula, and I don't think too many people know how it works. The grants vary with different units from different percentages — some units 25 per cent, others right up to 75 per cent as stated in the annual report.

Let us see what the Royal Commission in Nova Scotia has found out about making grants on that basis, and see what they state in regard to that type of a grant. They said this:

"A plan which provides that all municipal units shall share any given cost with the province on the same basis such as 50-50, 60-40 or 75-25, etc., is unfair, because in effect it treats all units differently. A plan of that kind may mean easy participation for some, financial hardship on the part of others, and impossible burdens for many."

So the type of grant we have in the province today does not meet with the requirements of education, nor particularly in face of the crisis that the units are experiencing throughout the province, does it meet

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their needs. So, because this amendment simply detracts from implementing the Foundation Program that we are proposing, I cannot support the amendment as agreed, and I would, therefore move, seconded by Mr. McFarlane:

"That the word 'more' before the word 'comprehensive' be deleted."

The question being put on the proposed amendment to the amendment, it was negatived by 32 to 16.

The debate continuing on the amendment.

Hon. Mr. Lloyd (Minister of Education): — Mr. Speaker, I think it is very worthwhile indeed that in the Legislature we spend some time in discussing the subject which the resolution brought before us. I would like to say, to begin with, that had there been no amendment offered, or if the amendment offered were to be defeated, personally I would have no objection to supporting the resolution as originally introduced by the member for Maple Creek. But I do think, in spite of the words of the hon. member from Willowbunch who sat down just now, that the motion as amended more accurately reflects the problem which faces us, and more accurately suggest the way in which this problem can be met. To begin with, the amendment introduces into the resolution the suggestion that it is not only local government bodies that are facing troubled times, and the crisis (if you will) with regard to the matter of financing the important function of education.

This, I think, is accepted very widely in a great many different kinds of groups all across the Dominion of Canada, and if we are going to do the kind of a job which is required in education, then there will have to be an increasing amount of support provided through the taxation which only the Federal Government can collect and properly distribute. You will recall the suggestion of the hon. member from Maple Creek that, instead of aiming to 50 per cent of the costs, the Provincial Government should pay something like 75 per cent. If we recognize that if we were to do that, we are suggesting an addition of some \$20 million to the provincial budget based even on present costs. I think it will become abundantly clear that this does represent a difficult situation, and a crisis (if you will) insofar as not only the government of this province is concerned, but the governments of many other provinces as well.

I want, later on, to say why I support the suggestion that the more accurate description of the situation is to say, a "more comprehensive Foundation Program for Education" in Saskatchewan. May I just point out in regard to what the hon. member from Willowbunch

(Mr. Klein) said, in suggesting the Government had sat by and done nothing all during these years, that school grants in 1951-52 amounted to \$6 1/2 million, roughly. They amounted in 1957-58 to \$16.7 million, and, with supplementaries, will amount to more than that, and, of course, as was announced, Friday, by the Provincial Treasurer will amount to substantially more than that for the financial year 1958-59. I don't think that it is quite correct to say that this represents just sitting on our hands or some other portion of our anatomy, and doing nothing during that period.

May I suggest to him, too, that if he reads carefully the description of the United States plan, which he referred to very briefly, he will find there that, in general, this conforms very well with the principles which have been followed in this province. Secondly, if he reads more carefully the reference to the Royal Commission in Nova Scotia, he will find that what they said there had no relationship whatever to the proposals and the principles underlying grant structure in this province. The portion he read referred to those kinds of grants which are conditional, and areas do not get them unless they first of all spend 50 per cent; then they will get the other 50 per cent. I agree that that kind of a grant is not good, is not desirable, has never been followed in this province, has only been used insofar as the relationship between the Federal and the Provincial Governments are concerned in the vocational education agreements.

May I take just a few minutes, Mr. Speaker, to suggest some reason why I think in this House, and across the country generally, we have to think much more seriously than we have done with regard to the matter of financing education. First of all, and not necessarily most important of all, it is desirable, I think, to have a better adjustment of our tax load than we have at present. If we are going to spend more money on education, this does mean that this more money is going to come some place out of the resources of Canada, which means, in effect, more taxation at some level to our province. This means that we agree, it seems to me, that some portions of the Canadian economy can pay more in support of this service, and if we are going to have better adjustment this means that there are some portions which should not be expected to pay as much as they are paying. We cannot get this kind of improved distribution by relying as heavily as most provinces in Canada do, on a property tax.

Secondly, and much more important than this, is, I suggest, the needs of the Canadian nation. I won't attempt to enumerate all of these needs; but let us just remind ourselves that there are, first of all, economic needs. Never before in the history of Canada have we been quite so dependent upon having trained persons to make our economy produce as it can produce. It is a long while ago now since the Rowell-Sirois Commission pointed out to the people of Canada that this modern industrial machine of ours can produce much more than the

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old machine which we have had, but added that, if this machine is to produce as it can, then it is going to require a great many more people with much longer periods of training, and this in turn requires more buildings, more facilities, more teachers with longer period of training per teacher, and all that goes with this. There is no doubt, I think, but that the development of the Canadian economy is going to suffer somewhat in the future because of the fact that we do not have adequate numbers of people who are professionally and technically trained.

In addition to this kind of development in our economy, we have the needs of the nation insofar as what may be called our 'service occupations' are concerned. I hope we are never guilty of forgetting the fact that, in addition to the engineers and the scientists and the technicians, we also need those people in the social sciences; we need people well trained in economics and political science, and all of that great and increasingly important field. I think it was Einstein who said that science was very important and very difficult, but that politics was more difficult than science, and that more people would probably die from bad politics than would from bad science.

Let us not forget about this other side of the picture in addition to the scientific and materialistic (if you will) portion of our development. At the risk of being termed somewhat idealistic because I would like to urge the members of the Legislature, and the people generally, that the only realism today is in idealism. There is a need, as never before in the world, for strong leadership. Some place in our classrooms today there are young men and young women who are more effectively going to lead the world away from war and towards peace. There are young men and women who are going to make a contribution in discovering a cure for cancer and many other dreaded diseases. There are many other young men and women who are going to play an important part in developing relationships between nations, which will make available to all people a better kind of a life. There is also, of course, the undeniable right of the individual to develop to the full extent of his ability, and there is the undeniable fact that there are still individuals who do not enjoy this particular right.

There are a great many reasons that could be added to those very few. I used them only to suggest that there is a need for many measures and many ways, for greatly increased expenditure on education, and increased expenditure beyond that which many of us, I suggest have even thought about.

I would like to say just a word or two about this apparently mystifying and illusive thing called a 'Foundation Program'. A Foundation Program is one which guarantees the support of the activities of the school unit or the school district at some particular level. If it is entirely adequate, it simply means that each area in the province, making the same kind of effort, will be able to achieve the same kind of desirable minimum level of program.

We would not argue that we have reached that point in a 100 per cent fashion, but I do argue that we have made some considerable stride forward. Just in that regard may I point out this. Taking the larger school units whose assessment generally falls between \$50,000 and \$70,000 per teacher, these units with a mill rate ranging from 19 to 17 received grants which will enable them to reach the same level or program. If you take another block of units going from \$75,000 in assessment to \$175,000, it will be necessary here for them to levy 14 to 16 mills to get the same level program. If you take those from \$175,000 up, they can reach that level by levying from 123 to 14 mills. In other words, out of the entire group there is not a consistent mill rate, to which results can be added our grants, and get the same program, and this perhaps should be; but there is a mill-rate range of about six mills within which they can levy and achieve the same level of program. Now, the ideal situation would be, of course, if they could do this by levying the same mill rate in each case.

In commenting on that I want to comment also on the statement made by the member for Maple Creek in which he pointed out (and quite correctly so) that, if we are going to have this kind of equitable treatment, we have to have an equitable assessment to begin with. In general I think it is agreed that what is being done in the assessment in Saskatchewan is as good as has been done in any place in Canada; but I think also in general it is agreed that it is far from being 100 per cent reliable, or at least there are a number of questions raised about it. Certainly there is a very real question in my mind, and in the minds of others as to whether one mill on urban assessments carries the same tax load as does one mill on rural assessment. I am convinced one mill on urban assessment is not the same load as one mill on rural assessment.

Secondly, there is the very real question with regard to the weight as between different kinds of rural assessments even. We find a great deal of argument as to whether or not the land which is our best wheat-producing land and which is generally the most highly assessed, is actually worth that much more in terms of assessment than land which is fit for good mixed farming, shall we say. So I hesitate to recommend to the Legislature a grant structure that would provide absolutely that a certain mill rate, plus the grants at varying levels, would achieve the same kind of program. I agree that we must work towards this, and certainly we are working consistently towards it each year.

The situation is that, in our low assessed areas, the grant is about three times the rate of the grant in our more highly assessed areas. The value of our grant in terms of mills will be in the low assessed areas worth about 60 mills of taxation on the area, whereas in the high assessed areas, the value of our grants in mills will probably be about five mills of taxation. That is one other way

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of indicating the way in which we have attempted to equalize to provide a similar kind of Foundation in the various phases.

Mr. Speaker, I can just take a few minutes to indicate something further about our grants. Mention was made by the member from Maple Creek about various items which enter into the cost of operating a school program. He mentioned buildings. We do have capital grants on a percentage basis, taking into consideration the building program in the area and the ability of that area to carry that cost for financing buildings. He mentioned transportation. We do have a capital grant to be used in connection with purchasing of transportation equipment, and we have an operating grant, which is a percentage of the actual cost of operating the transportation system — a percentage which is based on the ability of the particular area to pay. We have, in addition to that, operating grants which provide, first of all, a floor, but over and above that provide a percentage determined by the ability of the area to pay on certain allocated costs.

It is with regard to these allocated costs that I think our program falls short. That is one reason why I like the phrase "a more adequate Foundation Program" because, if our allocated costs bore a better relationship to the actual cost incurred by school districts, then our program would be much more adequate. When I speak later, Mr. Speaker, with regard to the budget for this year, I will have something to say about our plans for this year in that regard.

May I just emphasize, before sitting down, too, because of the fact that we had said here there is a federal responsibility; in addition to the support which we give to local districts, there are many other areas in which expenditure for education is necessary. I just mention briefly the program at the university. It is estimated that our attendance at the university will increase by about 500 students per year, and all of us would hope that it might increase even more than that. That is going to require a very considerable expenditure in terms of additional buildings, and in terms of additional staff and costs as well. One can think of buildings such as the College of Education, the College of Commerce, the College of Home Economics, and several others, and several requests for a College of Veterinary Science, all of which will need consideration, in the next number of years.

Most of all, I would like to mention an area in which we are most deficient, not only in this province, but in all of Canada and that is in the field of educational research. We need to spend a great deal more money in that particular regard.

If we had a considerable amount of additional money, Mr. Speaker, I suggest we can do two things. We can make our foundations a more adequate foundation, more realistic in terms of the actual costs

of school areas; we can further adjust our percentages so as to reduce this spread in mill rates required to reach a desirable minimum programs and we can generally improve the level of opportunities for Saskatchewan's young people.

Mr. Speaker, I have indicated that I want to support the motion as amended.

The question being put on the amendment (Mr. Thorson) it was agreed to.

The Assembly recessed at 5:30 o'clock p.m.

On resuming at 7:30 o'clock p.m. the debate continued on the motion as amended:

Mr. F.E. Foley (Turtleford): — Mr. Speaker, in speaking to the amendment to the resolution regarding the establishment of a Foundation Program, in spite of the fact that our proposed amendment to the amendment to delete the word "more" was defeated, nevertheless we feel that much can be done to implement our present educational program in the province, and place it on a sounder financial basis. A year ago, the Opposition introduced an amendment to a resolution regarding Federal aid, and we said that, recognizing the serious difficulties encountered by school officials in meeting the ever-increasing demand for additional classrooms, retaining qualified teachers and coupled with the ever-mounting tax burden, we went on to propose that a committee be set up to study the implications of the LaZerte report, which favoured a Foundation Program for education throughout Canada.

It has been interesting to note that a number of provinces in Canada have made considerable efforts in this direction. The member for Notukeu-Willowbunch (Mr. Klein) had something to say about Nova Scotia. I would just like for a moment, this evening, to refer to what is happening in British Columbia with respect to the Foundation Program. However, before going into the effects of a Foundation Program in British Columbia, I want to mention briefly a few of these characteristics of education in British Columbia, as reported by Dr. LaZerte in his excellent report of some time ago. He makes the following statement: first, that the cost of financing elementary and secondary education is higher in British Columbia than it is in any other province: since nearly 70 per cent of the population are urban, the ratio of the number of adults to children is large; that nearly 40 per cent of all the teachers are university graduates, and the percentage of students proceeding through high schools is the highest in Canada.

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Those are just a few of the points that Dr. LaZerte mentions with regard to education in British Columbia. This report, of course, is several years old, and it may be that some of the contentions of that report are no longer valid. However, in view of that, in 1955-56 the following steps were taken in British Columbia to revamp the present system of provincial aid for education and local government. I would just like to read a few short excerpts from a copy of a report in 'The Financial Post' of February 12, 1955, which deals with this topic:

"Under the new school finance formula, British Columbia's 64 municipalities will be required to levy a tax rate of 10 mills for an approved basic program of education. Rural areas will be required to raise 7 mills for approved expenditures. The Provincial Government will assume all costs over that by making a basic grant computed in terms of the 1954 teachers' salary scale.

"In 1956, the following year, the province will make, in addition to its basic grant, a supplementary grant equal to 75 per cent of the increase over the 1955 level.

"Also included in this new school plan is an additional three-mill rate for school construction. Under the new plan the province will continue to pay 50 per cent of the debt charges, when the capital mill rate is 3 mills or less. When the capital mill rate rises above 3 mills, the Government will absorb 75 per cent of the increase, and provision is made for the government share to go up to 85 per cent in certain cases."

I think this is significant; "The Government's share of education will rise \$15.6 million immediately, over the current year."

It is interesting to note some of the effects of this change in the grant structure in British Columbia. School taxes will stay the same, or will drop in 58 municipalities and 48 rural areas, but will rise in six municipalities and 26 rural areas. These increases will come primarily from equalized assessments which were implemented in British Columbia this year, and it goes on to say:

" . . . in addition, school formulas will be reviewed and adjusted each year to see what education costs remain properly apportioned."

I introduce that into the records, Mr. Speaker, to further emphasize the type of thing which we feel could take place here in the province under a Foundation Program for education.

I note that, in moving the amendment to the resolution introduced by the member for Maple Creek that this Government has brought into the amendment its stand that the Federal Governments as well as the Provincial Governments should assume a greater cost of the Foundation Program. Mr. Speaker, we have no quarrel there, because we have for some time supported the idea of federal aid for education in some manner which would not infringe upon the provincial jurisdiction which has been granted to the province by the British North America Act.

As all hon. members know, a very important conference on education has just been completed in Ottawa. A great many reports have been published, and it is not my purpose to deal with them tonight. However, it is interesting to note that there was some difference of opinion at the Ottawa conference, on the position of federal aid with respect to provincial education, and there was a thought advanced here, and I am just quoting from the remarks of Dr. Penfield and Mr. Fairholm, who suggested that:

"The Federal Government might better contribute to education in ways of research than in manner of grants; that the Federal Government can serve the nation's needs best if it contributes an ever-increasing amount to research in basic science, economics and the whole broad field of humanities."

Dr. Penfield goes on to say:

"But it would seem that, the responsibility of support for teaching at the primary, secondary and university levels rests with the provinces. Support of a scholarship system may well be a field for industry, labour or federal contribution. This can be done without interference in educational institutions."

He concludes by saying:

"Federal grants to institutions should aim to stimulate, to establish, and finally to withdraw from control."

Of course there were many other opinions expressed there. Nevertheless I believe that I can support the resolution as amended, since I do feel

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very sincerely that a comprehensive Foundation Program for Education should be the aim of the Government, and should contribute to that most important educational aim of all, that of giving equal opportunity of education to all young people possible. I will support the motion as amended.

Mr. A.C. Cameron: — (Closing the debate) Mr. Speaker, speaking further to the motion as amended, I think some of the statements that were made this afternoon, even by the Minister of Municipal Affairs (Hon. Mr. McIntosh) add strength to the need of a Foundation Program. He spoke of the increased assessments of some of the municipalities due to pipe lines and so forth, adding richness in that particular area from a taxation point. Other municipalities are not so favourably blessed by having oil development and pipe lines and such. Thus you run into the position where some local areas have greater assessment and greater taxing ability than other areas. If you look at the increase in mill rates across the province in these particular areas, the contention is borne out that the load is not carried in any proportion to the ability of the individual, or of the area to bear. You will notice this if we just took a few, because I think it sums it up. For instance Unit No. 1, the mill rate since 1950 has increased by 11 mills; in some other units the mill rate during the same six-year period has increased 9 mills; in Unit No. 7 in six years the mill rate has only increased 4 mills — it has only an 18 mill rate. Other units have increased nine mills. For Unit No. 34 in the same period, the mill rate has increased from 13 to 29, a jump of 16 mills; and in the Maple Creek Unit in which I am particularly interested, the mill rate has jumped since 1950 from 15 mills to 25 in 1956. I am just speaking of the rural mill rate. Then we added another 10 mills last year, and that brought it up to 35. I am informed by the officials that as a result of the negotiations going on now with the teaching staff and the program of instruction, we will be faced with another increase in the mill rate this year, so our mill rate has gone up 20 mills since 1956.

When we see that, in some units the mill rate has only increased four mills, and in other units it has increased 20 mills, it means one of two things. Either that certain units are richer areas and they demand less money to supply the same teaching program as they do in the poorer areas of the province, or else it means that some unite have an expensive program and are giving a higher basic foundation of education than in some other particular unit. For instance, some units may have an expanded system of transportation, heavy construction of schools and classrooms, woodwork, shopwork, such as we have up in our area. Other units may not have any transportation facilities; they may not have any woodwork or activities of that nature, and it may be that their program of education is not of a level that the program of education in our unit is. You can get into the position where one unit may be giving a better program and better opportunities to its

children than another unit may be doing. There is something that expresses an inequality when we find some units during a six-year period having to raise their mill rate by 20 mills.

I think there is one thing we should bear in mind about a Foundation Program, and that is that it sets up a program of the same level practically, insofar as we can, for each and every unit for the province, and then it will attempt to establish equal opportunities for the children in that particular area. As we pointed out before, I think we can justify this statement that we have not as yet arrived at equal opportunities for the pupils of the different units, when costs per pupil vary considerably from unit to unit this is because of a more ambitious program in one unit than in the other.

Hon. Mr. Walker (Attorney General): — Will the hon. member, Mr. Speaker, confine his remarks to the points that were raised during the debate.

Mr. McCarthy (Cannington): — Oh, sit down!

Mr. Cameron: — Mr. Speaker, this is one motion on which I think the House has conducted itself in the manner in which Houses should be conducted. I was certainly pleased with the atmosphere of the discussion which has taken place. No one was attempting to talk down or to contradict statements that were made, and it appears to me to point to an advance in our thinking and to justify the steps which we are asking the House to take to set up this program. I would not want the Attorney General to spoil that air.

Hon. Mr. Walker: — I'm just trying to point out the rules.

Mr. Cameron: — And I say that when the Minister speaks of the foundation program, I only hope that his interpretation of 'Foundation Program', is the same as ours. Unless we agree in our minds as to what a foundation program is, and what it entails, we may be voting for a motion from two different points of view. That's why I want to sum up by saying that we should bear in mind that the Foundation Program has one important principle: it has a uniform mill rate, either one in the urban and another in the rural, and equalized opportunities to the children. Further, the taxpayer bears the cost in relationship to his ability to pay. If we gauge the program in other provinces, I think we can see the advantages of such a program.

For that reason, Mr. Speaker, I have no ill will in any way to the amendment put to the motion itself and am very pleased with the atmosphere of the House during this discussion. I think we have advanced a great step, and I only hope that the Government will take this recommendation or this motion to heart, and will proceed at the earliest date possible to set up a Foundation in this province.

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The question being put on the motion as amended, it was agreed to.

MOTION RE AGRICULTURAL CONFERENCE

The Assembly resumed from Thursday, February 27, the adjourned debate on the proposed motion of Mr. Dewhurst:

"That, in view of the continuing deterioration of the agricultural industry, this Assembly urge the Government of Canada to call a Federal-Provincial Agricultural Conference which would include representatives of farm organizations, and that the Provincial Government, either at such Conference or directly upon the Government of Canada, be requested to press adoption of policies for agriculture including:

- (a) Parity prices for all agricultural products using deficiency payments where necessary;
- (b) a comprehensive system of forward pricing;
- (a) National Marketing Boards for major agricultural products;
- (it) a program of full employment to maintain the domestic market for agricultural products;
- (e) sale of agricultural products by barter arrangement or in the currencies of the importing nations;
- (f) a program of national crop insurance; and
- (a) a national credit program to meet the needs of agriculture.

Mr. A.H. McDonald (Leader of the Official Opposition): — Mr. Speaker, as far as we on this side of the House are concerned we have no objection to an agricultural conference at which the Provincial Government and farm organizations should have representation. We believe that, at this time, it would be to the advantage of Saskatchewan and to the advantage of the agricultural economy of all Canada. However, I am afraid that the mover and the seconder of the resolution had trouble with their knees, similar to the trouble of some other people when they were thinking of Bill No. 27, because under the clauses (a), (b), (c), (d), (e), (f)

and (g), they have not included any of the programs that they have suggested in the past.

When the mover of the motion was speaking a few days ago, he referred to some lost markets that the agricultural industry had suffered over the past several years. He referred to the fact that now we were not shipping quantities of pork and pork products to Great Britain, and he said that we were now some 700 million pounds short of what we were selling to Great Britain at one time. Surely my hon. friend, being a farmer and being a member of this Legislature, must know that we have not any pork to sell to Great Britain. He must know that we are selling all of the pork that we raise, over and above what we consume here in Canada, into the United States at prices far in excess of any price that we could receive either in Great Britain or in continental Europe, or Asia, or anywhere else. Surely my hon. friend realizes that we are able to export into the United States practically all of the surplus agricultural products that are produced in this country, with the exception of cereal grain, and we export them into the United States for the simple reason that that is the highest market in the world today. I don't think my hon. friend would like to see us switch those exports from the United States to Great Britain or to any other country; and I don't believe the farmers or the farm organizations would support us, if we were to place these products on markets other than the United States, at a price lower than we are able to receive from that market.

I am wondering why my hon. friend did not refer to what is happening at the moment to products that are produced here in Saskatchewan and other parts of Canada. I am wondering why he did not answer some of the misstatements that are being made on public platforms, today, with regard to the sale of cereal grain. Not so long ago the Minister of Agriculture for Canada spoke here in the city of Regina, and he made statements that either he doesn't know any better, or he must have had some other reason. I wonder why my hon. friend on the other side of the House did not check him up. Why didn't he point out that, today, the sales of grain for the three prairie provinces of Manitoba, Alberta and Saskatchewan are far below the sales of a year ago? Why didn't he point out that our sales are 41.8 million bushels lower than they were a year ago? Why didn't he point out that the country elevator shipments for the three prairie provinces are down 31.7 million bushels from what they were last year on the 19th day of February, according to the last available statistics? Why didn't he point out that the receipts at the Lakehead are 58.7 million bushels lower than they were a year ago? Why didn't he point out that the country elevator shipments are 15.9 million bushels less than they were a year ago? He might have also pointed out that the only place where we have an improvement, is that we have 1.9 million bushels more of wheat in store at the Lakehead than we had a year ago.

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These are pressing problems that exist right here at this moment; and I was wondering when the seconder of the motion was on his feet and said that after the 31st day of March the C.C.F. Government would be elected, and that these problems would be taken care of. I nearly fell out of my seat, because there isn't much chance of the C.C.F. Government being elected on the 31st day of March.

Mr. Danielson: — No one would ever elect them!

Mr. McDonald: — And it is probably a good thing, because a few days ago, you know, the so-called farm expert of the C.C.F. party, Mr. Argue, made a speech out in the country and he said that if the people were to elect a C.C.F. Government, that Government would sell this wheat. Well, you know, with the selling record of the C.C.F. party, I doubt if they should even mention the word 'sell', because this Government has had the experience, and the rather weak and poor experience at that, in the selling field, with commodities that were not nearly so competitive as wheat.

What is their selling record? Why did they close the woollen mill? Because they couldn't sell wool products. Why did they close the box factory? — because they couldn't sell leather goods. Why did they close the shoe factory? — because they couldn't sell shoes. Why did they close the sodium-sulphate plant? — because they couldn't sell sodium-sulphate. Yet now they tell us they could sell wheat on the most competitive markets of the world. Utter nonsense, Mr. Speaker!

Now to go back to the motion. Part (a) of the motion says:

"Parity prices for all agricultural products, using deficiency payments where necessary;"

I have no complaint with that. As far as I am concerned, I, and I am sure the members on this side of the House, would support it. Secondly, part (b) says:

"a comprehensive system of forward pricing . . ."

I haven't too much complaint with the program of forward pricing, providing that you do not adopt the policy of standing on your hind legs looking backwards, when you are setting the forward price of agricultural products. I am opposed to the method of forward price that is being adopted under the Agricultural Stabilization Bill, when you have a government that has said to the farmers of Canada, "We will give you what we call a 'Cash' price that is based on 80 per cent of the average price of farm products over the past 10 years." Mr. Speaker,

surely to goodness, parity or forward prices do not take into consideration what has happened in the past. You must take into consideration what is going to happen in the future. When one examines the prices of agricultural products, or the stabilization price, or 80 per cent, what happens? We find, for instance, as far as cattle are concerned that if we were receiving that 80 per cent base price at the moment, it would be 17.7 cents a pound f.o.b. Toronto; but we are today receiving about 22.5 cents a pound for the same beef in Toronto. I don't think any of us want to go back and take less than we have been taking for our farm products over the history of the last 10 years. The same story is true of grain, with the exception of some grains that are produced in eastern Canada and come under the Stabilization Bill.

I believe that, if we are going to have a system of forward prices, we must take into consideration what the cost is going to be in the future for producing those farm products, and I submit that the cost over the past 10 years has no similarity to what the cost may be in the future. Therefore, I think that we have to adopt some different views if we are going to support a program of forward prices.

Part (c) of the resolution says:

"We should have a National Marketing Board for major agricultural products."

Well now, Mr. Speaker, there is nothing to prevent this Government, a provincial government, from setting up marketing boards for agricultural products if they see fit. I do not believe that any product should be put under a national marketing board, unless a large majority of the producers of the product are in favour of putting it under a board. I believe that that decision must be made by the producers of that particular agricultural product. But the present administration that sit to your left seem to think that they haven't the power to implement marketing boards. Mr. Speaker, if the government of this province want marketing boards for agricultural products, they and they alone are responsible for the setting up of those boards.

What has happened in other parts of Canada? In the province of Ontario today, I understand there are 14 marketing boards to take care of different agricultural products. I have here in my hand a document that is produced by the Saskatchewan Federation of Agriculture, and I would like to read part of that document to the Assembly. Mr. Speaker, I quote:

"By and large the combined decisions of the eight judges who participated in hearings and in the written judgments, were in their essence a virtual victory for those opposing the

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right of the provinces to permit the setting up and operating of compulsory producer boards."

The decision of the highest courts of this land is that the provincial governments have that authority. The Supreme Court went a step further in making it clear that operation of such boards could be with respect not only to products produced and processed within provinces, but also to the marketing of products intended only for consumption within the province; it also confirms us the right to pool products under provincial legislation. The effect of the decision at Ottawa is to confirm, within these provincial limits, the validity of the hog marketing scheme, and other similar schemes in operation. This includes the marketing control of products by all producers within the area prescribed under the scheme. Selection of licence fees and the charging of operation expenses and of other regulations and except any regulation provided for collecting of money to be devoted to the recompense of losses of equalization of prices.

"This, said the Court decision, was a form of indirect tax and not within provincial jurisdiction. Any organization seeking to set up funds for such purposes must seek authority from the Federal Government, and no federal legislation exists at present covering such matters."

The judgment also made clear once more that the marketing boards under provincial Acts, who wish to extend operations to control the marketing of their products beyond the borders of their provinces, must obtain federal authority. Federal legislation for this already exists, under which the Federal Government may delegate to marketing boards their power to control the marketing of products beyond provincial boundaries.

Let us not hear any more of the argument that this Government, or any other provincial government, have not the power to set up marketing boards here in the province of Saskatchewan.

Hon. Mr. Walker: — Whoever said that?

Mr. McDonald: — You said it, time and time again, that you have no authority.

Hon. Mr. Walker: — Nonsense!

Mr. McDonald: — Part (d) of the resolution states:

" . . . a program of full employment to maintain the domestic market for agricultural products;"

No one can complain with that. We all know that, because we have for many years, enjoyed practically full employment for many years, the price of farm products that are consumed in the Dominion of Canada has remained fairly high. We all know that, if the working, peoples of our country are gainfully employed at fair wages, they are prepared, and experience has shown, that they will pay fair prices for agricultural products, and not only that but they will consume large quantities of those products. I think the record of the past two years for the consumption of butter, dairy products, eggs and what have you, has proven that we must have full employment if we are to have a stable home market for agricultural products.

Part (e) states:

"sale of agricultural products by barter arrangements, or in the currencies of the importing nations;"

Again, Mr. Speaker, governments of Canada to some extent have practised what we were suggesting in Clause (e). I believe that now we have the opportunity to go much further. The British Government have offered the people of Canada, or the Government of Canada, free trade, and the British people, or the British Isles, are part of the European common market. I believe that it would be possible for us to ship larger quantities of wheat and other cereal grains to Great Britain, and that Britain in turn would probably sell some of those commodities to her neighbours and her friends who also belong to the British common market.

It is difficult for us in this country to accept large quantities of raw material into Canada because we are an exporter of raw materials. We are an exporter of foodstuffs. It is also difficult for us to receive in too great a quantity some manufactured products from other parts of the world. We have one of the highest standards of living in the world right here the Dominion of Canada, and because we have that high standard of living, we have high industrial wages; but if we were to open the borders of this country to the products of cheap labour from some other parts of world, the product of ten-cent labour from some parts of the Middle East, I would have fear for some of the workers here in the Dominion of Canada. I do believe however, that we could work out an arrangement with Great Britain and through her, with the members of the common market in Europe, so that we could move larger quantities of our surplus products into that area and use part of the barter and the local currency in Great Britain rather than in the Dominion of Canada.

The only thing we can do with currencies that are brought into this country in payment of agricultural surplus products, would be to convert them into Canadian dollars, or to use that money

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for some purpose in the country of origin. We are not a country that maintains huge armies throughout the world. We are not in as favourable a position as the United States, for instance, that are maintaining thousands of troops and service personnel throughout the world. They can use this local currency to maintain their forces throughout the world; but, as I say, we are not in that position, and I doubt very much if in the near future we will be. Therefore, we must be careful about the amount of barter or local currency that is brought into Canada. I do believe however, as I said a moment ago, we could go further than we have in the past in co-operation with Great Britain and in co-operation with those countries that are under the European common market.

Part (f) calls for "a program of national crop insurance." I believe I mentioned in an earlier debate that I was in favour of such a program, and I want to state again that I doubt very much if we could have a crop insurance program in Saskatchewan that would be workable, and have it confined to the boundaries of the province of Saskatchewan. I think our crop risk is too great for us to maintain and support such a program within the boundaries of Saskatchewan; but I do believe that the agricultural economy of Canada could quite well support a national crop insurance program.

Part (g): "a national credit program to meet the needs of agriculture". Here again, we on this side of the House have asked the Provincial Government on numerous occasions to set up some system of farm credit here in the province of Saskatchewan. I am not opposed to a national credit system. Again I would like to see a national program that would provide this credit for all of the agricultural people of Canada; but failing that (and it has failed to date because the national program has not met the needs or wishes of agriculture) — we ought to be doing something about it here.

Hon. Mr. Nollet (Minister of Agriculture): — Oh!

Mr. McDonald: — You can laugh if you like, but you ought to be ashamed of yourself as Minister of Agriculture to sit there in your seat and be content with the treatment that your colleagues have given you as Minister of Agriculture. I don't know how you have the audacity to even come into the House, let alone to laugh at the suggestion that you should enter into come farm credit system.

We have many examples in Canada of provincial governments extending credit to farmers. We have an example in Alberta; we have an example in Ontario; we have an example in Quebec, and again I say if our national government is not prepared, then you get off your haunches and you do it. It is quite within the ability of the Government of Saskatchewan to set up a farm development bank here in Saskatchewan. I would prefer that it would be a national plan. I want to

reiterate that, failing that, there is no reason in the world why the Provincial Government could not enter into that field.

What about all the things that are missing from the resolution, Mr. Speaker? A few years ago, we used to hear about the farmers, that they should be given the opportunity to deliver their grain to the elevator of their choice. Why shouldn't we take this into consideration, if we are going to have a Dominion-Provincial Conference? Why shouldn't the Government of Saskatchewan still be concerned with the farmer having the opportunity to deliver his grain to the elevator of his choice? Why have we left that out? Isn't that just as important today as it was last year or the year before, or the last four or five years? I think it should be included in the resolution.

What about the cost of marketing grain? When we look at a few figures, we find that the cost of marketing grain today is some 34.01 cents per bushel. I think that is another thing we should take a look at. I think it is something that a Dominion-Provincial Conference that has representatives from the farm organizations and from the provincial government ought to take a serious look at, because I doubt if we can stand to pay this 34.01 cents a bushel for the marketing of our grain any longer.

What about the research into the industrial uses of some farm products that are in surplus? We used to hear a lot from the C.C.F. party about what they were going to do about using these surplus farm products in the industrial world. At one time they even had some notion of setting up some Crown corporations to use surplus farm products. I want to read to you, Mr. Speaker, what some of the gentlemen opposite had to say a few years ago. They were talking about this particular matter, about using farm products in the industrial world. They said:

"This is especially true here in the west where the use of agricultural products for industrial purposes opens up a new era of possibility. The use of low grade wheat in the manufacture of grain alcohol for tractor fuels and synthetic rubber."

Well, have you given up that idea? Are you not prepared to support the research program any longer? It might be possible (I don't know) to make tractor fuels or synthetic rubber out of grain. But then you had other suggestions, and your leader, the Premier of the province, had this to say:

"Do you not realize that the day is not far off when the grain lands of the west will be measured in terms of rubber

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tires, automobile bodies, aeroplane wings, prefabricated houses, radios, silk stockings, clothing, dishes and furniture?

"This transformation will be a welcome change from the overflowing bins of unsaleable and unwanted grain."

Mr. Speaker, that statement that we had unsaleable and unwanted grain was made 14 years ago! And what have we got today? But at that time the Premier was going to make rubber tires, automobile bodies, aeroplane wings, prefabricated houses, radios, silk stockings, clothing, dishes and furniture out of the unwanted grain.

Mr. Danielson: — Even black-top highways.

Mr. McDonald: — Now, when they are asking a Dominion-Provincial Conference to study certain proposals to help us out in this agricultural problem, they don't even mention that they should endeavour to extend our research in an attempt to find some means of disposing of some of the surplus products.

What about wheat, oats and barley? There is no intention here that they should be under a definite support price. Do you feel now that the prices of wheat, oats and barley are adequate? Do you feel that the floor price is adequate? If you do, I don't; and I think that it should have been included in this resolution. What about the storage program? Do you feel that the part that the Government of Canada are now playing in paying some part of the storage on surplus grain, do you feel that that is adequate? I don't feel that it is adequate, and I feel that it should have been included in the resolution we have before us at the moment.

Now, there are many other suggestions that one might make. For instance, do we feel that we can continue to take less, over the next few years, for our wheat than we have been doing over the past? This year . . .

Hon. Mr. Nollet: — The Liberals think no.

Mr. McDonald: — You probably don't even know what the price of wheat is!

Mr. Cameron: — Every time you yawn, you put your foot in it, Toby.

Mr. McDonald: — The average price of wheat today for the Saskatchewan farmer for this crop year, Mr. Speaker, will be about \$1.24 — down five cents from last year, when it was \$1.29.

Hon. Mr. Brockelbank: — It was \$1.06.

Mr. McDonald: — There's a man who obviously doesn't know the price of wheat. He says it is \$1.06. You know, I always knew that the Minister of Mineral Resources didn't know anything about Mineral Resources, but I was pleased to concede that to him, but when he attempts to convey to the House that he knows something about agriculture, well that's the last straw, Mr. Speaker. Then if we want to go back to 1948, for instance, when we had an average price for wheat to the farmer of \$1.63 — that has gradually gone down to where now we are at the point of \$1.24 as against \$1.63 in 1948 — the average farm price, that is. I think this all ought to have been included in this resolution.

The other day when the seconder of the motion was taking part in the debate, he chided, or attempted to chide, myself because he said that some people had said that I was responsible for the new national Liberal program for agriculture. Well, you know, I hope that a lot of people will pay me that complement, because I feel that the Liberal party of Canada have the finest agricultural program that has ever been devised in any political party in Canada.

Opposition Members: — Hear! Hear!

Mr. McDonald: — . . . and all of that part of this resolution that has been prepared by the supporters of this Government is included in the agricultural program of the Liberal party. But we go much further, and add all of the things that I have suggested; and I think, for the education of the hon. members opposite, they ought to get a copy of this book, especially the Minister of Mineral Resources. I am sure it would bring him up-to-date, and he would be more qualified to speak on agriculture.

Therefore, Mr. Speaker, I want to move, seconded by Mr. Danielson:

(1) That clause (c) be deleted and the following substituted therefor:

"(c) marketing boards for major agricultural products when requested by a large majority of the producers concerned;"

Now, if I might say a word why I have mentioned the word 'large'. Mr. Speaker, I don't believe that we should set up a marketing board if 50 per cent of the producers want it. I think there should be more than 50 per cent of the producers requesting it; but I am not prepared to say whether it should be 1 or 60 per cent, or what per cent. Therefore, I say a 'large' per cent.

(2) That the following clauses be added

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after clause (g):

(h) "farmers be given an opportunity to deliver, and be fully paid for at least a normal crop in each crop year;

(i) "lower the costs of marketing grain;

(j) "deliver to the elevator of his choice;

(k) "increase research into new uses for surplus agricultural products;

(l) "bring wheat, oats and barley under definite price supports;

(m) "extension of the program to pay storage on surplus grain."

Hon. Mr. Brockelbank: — You just gave the preamble. We put the meat into it!

The debate continuing on the proposed amendment of Mr. McDonald:

Hon. Mr. Brockelbank: — Mr. Speaker, this House should rejoice at the great change and conversion of the Leader of the Official Opposition since a year ago.

Mr. McDonald: — There's no change here.

Hon. Mr. Brockelbank: — I was a little hurt and surprised that one in his youth should belittle the experience of an old man in agriculture like myself.

Mr. Cameron: — Too old — too old to cut the mustard.

Mr. McDonald: — I think you enjoyed it, 'Brock'.

Hon. Mr. Brockelbank: — The Leader of the Official Opposition quite properly took objection to the Progressive Conservative program of setting prices on the basis of 80 per cent of the horrible prices that we enjoyed when we had a Liberal government in office at Ottawa. Everyone agrees that that would be pretty bad. This is just an indication of the great change and reform that has not only come over the Leader of the Official Opposition, but the whole of the Liberal party. It is wonderful what has taken place.

My hon. friend has been very vocal about taking into

consideration the question of what the cost of production is going to be. For many years we have been talking about prices for farm products that would give to the farmer a proper return, taking into consideration his cost of production. The hon. gentlemen opposite spent their time trying to get around that question, because nothing was being done about it by the Government at Ottawa at that time the Liberal government at Ottawa.

The Leader of the Official Opposition also asked why shouldn't wheat, oats and barley be included in this resolution. I would just point out to him that he has overlooked the clause (a): "parity prices for all agricultural products." In my opinion, even though he says I may not know much about agriculture, wheat, oats and barley are agricultural products.

Mr. Danielson: — Are you sure?

Hon. Mr. Brockelbank: — They are included, so certainly his amendment, insofar as that point is concerned, is superfluous.

In regard to marketing boards, the hon. Leader of the Official Opposition went to great lengths to point out that there was nothing to prevent the Provincial Government from setting up a marketing board. First, he was conveniently overlooking some of the words in the resolution, because the resolution does not ask just for marketing boards, but for National Marketing Boards. We have never contended that we did not have the power to set up marketing boards; but what we have contended is that, in the position we have here, where the great part of our market is beyond the borders of our province and much of it beyond the borders of Canada, a provincial marketing board has quite limited possibilities.

Mr. McDonald: — You instigated it.

Hon. Mr. Brockelbank: — I notice, too, that in the amendment of the Leader of the Official Opposition he has deleted the word 'National' and left it just 'Marketing Board' for agricultural products.

Mr. McDonald: — You have to start it.

Mr. Danielson: — You better start it first; it has to have an origination.

Hon. Mr. Brockelbank: — Mr. Speaker, my hon. friends usually glow with pride and take credit for the establishment of the Canadian Wheat Board.

Mr. Danielson: — And you wanted to kill it.

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Hon. Mr. Brockelbank: — Aren't they taking credit for it, tonight? Of course, I believe it was the Bennett government that actually passed the legislation . . .

Mr. Cameron: — We don't ask for something we already have.

Hon. Mr. Brockelbank: — . . . and then after many trials and tribulations and some efforts to sabotage the whole thing, the Wheat Board finally survived.

Mr. Danielson: — Because you couldn't kill it.

Hon. Mr. Brockelbank: — The Wheat Board did not start as a provincial organization. If the Wheat Board is an example of a successful marketing board, then my friends should remember it did not start as a provincial organization, but as a national effort.

Mr. McCarthy (Cannington): — You're wrong again.

Hon. Mr. Brockelbank: — It was backed by the national government.

Mr. McCarthy: — You're wrong again.

Mr. Danielson: — To cover up your tracks.

Hon. Mr. Brockelbank: — I can't remember, Mr. Speaker, all of the points in the amendment the Leader of the Official Opposition moved. I don't know that I want to go into them all at this time; but I would like to comment on this one. I might say that the Leader of the Official Opposition could very well have been making his speech that he made out on the stump in the election campaign . . .

Mr. McCarthy: — The same to you.

Hon. Mr. Brockelbank: — He was speaking for his party very definitely. He urged that the farmers, if given the opportunity to deliver, would be fully paid for at least a normal crop in each crop year.

Mr. McDonald: — Hear! Hear!

Hon. Mr. Brockelbank: — They say 'Hear Hear'.

Mr. McDonald: — What's wrong with that?

Hon. Mr. Brockelbank: — It would be pretty hard for the people of Saskatchewan and the people of western Canada to take him very seriously on that question, when we remember the record of the Liberals in power at Ottawa.

Mr. Danielson: — Very good. Extremely good!

Hon. Mr. Brockelbank: — There is just no use wasting your time trying to kid us about all these things, because we can still remember back to a year or two ago.

Then the hon. member endeavoured to complicate the situation by introducing some other subjects to which I am not opposed, as such, I would like to point out to the House, however, that apparently the hon. Leader of the Official Opposition did not read the resolution himself very carefully because there are two parts: first, to call a Conference — and the resolution sets no limit to the subjects that way be discussed at that Conference.

The resolution then goes on to say that the Provincial Government, "at such Conference or directly upon the Government of Canada, be requested to press adoption of policies for agriculture including:" Obviously, any other questions that came up at the Conference would certainly get attention.

Mr. McDonald: — Are you interested in the rest of the crops?

Hon. Mr. Brockelbank: — It is a pure effort by the Leader of the Official Opposition to get something which he can wave around between now and the 31st March throughout the province of Saskatchewan for purely political purposes.

Mr. Speaker, I beg leave to adjourn the debate.

(Debate adjourned)

SECOND READING

Bill No. 59 — An Act to amend The Mines Regulation Act

Hon. Mr. Brockelbank: — Mr. Speaker, this Bill is an Act to amend The Mines Regulation Act. It is a very simple amendment.

Previously, under The Mines Regulations Act, the regulations contained the requirements for the establishment of mine rescue stations. Now, there is this change being made. That requirement is being put into the Act itself, and it is also being provided that a mine rescue station may be established and a number of small mines which are operating adjacent to this station may be requested to pay for it. That is much cheaper for the mines than each one having to establish a complete rescue station.

That is the main point in the Bill, and I would move

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that the Bill be now read a second time.

(The motion for Second Reading agreed to and the 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.