LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

Second Session — Thirteenth Legislature 32nd Day

Tuesday, April 1, 1958

The House met at 10.00 o'clock a.m.

On the Orders of the Day:

FEDERAL ELECTION

Premier Douglas: — Mr. Speaker, I think it is probably appropriate at this time to say a word about the events which took place yesterday. I am sure that all the members of the House would want, through you, Mr. Speaker, to extend congratulations to the Prime Minister of Canada and his Government on the overwhelming vote of confidence which they received from the people of Canada.

The Prime Minister is a Saskatchewan citizen and, having become Prime Minister of this country, brings to our province great distinction, and I would hope, Mr. Speaker, that you will convey to him, on behalf of the House, the congratulations of this Legislative Assembly.

I don't think there is much more one needs to say by way of the usual commiserations, except that I remember hearing once of the annual meeting of a Baptist church, where the conditions had been pretty bad during the preceding year. The Minister of the church was offering up a prayer and he said: "Oh Lord, we have had a very bad year. Our membership has dropped; our Sunday School is reduced in numbers; our treasury is almost empty. But Lord, we want to thank you: the Presbyterians are having even a worse time than we are."

Therefore, almost the sole consolation that we have on this side of the House is that some of our friends on the other side are having even a worse time than we are.

I do hope, Mr. Speaker, that you will convey on behalf of the Legislative Assembly our congratulations to the Prime Minister and his Government.

Mr. Brown (**Bengough**): — Mr. Speaker, further to the remarks of the Premier with regard to yesterday's election, I think I might be a little remiss in my duties as a member of the Legislature if I did not draw the attention of this House to the fact that I was very likely the only sitting member of this Legislature who did not lose his vote.

Mr. McDonald (Leader of the Official Opposition): — Are you sure of that?

BILL NO. 84 — LAND TITLES ACT

Hon. R.A. Walker (Attorney General): — Mr. Speaker, before the Orders of the Day I would like to refer to a matter which has become somewhat a matter of public controversy. I wish to advise the House that I have now received a letter from the President of the Saskatchewan Law Society, which I think I should read to the House. It is re Bill No. 84 — The land Titles Act:

"I am writing you in my capacity a president of the Law Society to request that this Bill be referred to the Statute law Amendment Committee for consideration, and that the Law Society be given an opportunity to appoint representatives to make representations to the Committee. In making those sections of the Bill dealing with meral titles, being particularly Sections 19 and 52 to 55 inclusive. The remaining sections of the Bill consist largely of matters involving internal administrative changes, and, so far as I know, there are none of those items with respect to which it is desired to make any representations.

"According to my understanding you expressed yourself in favour of the creation of a Law Reform Committee with a permanent paid secretary, and it occurred to me that possibly you might consider it appropriate to leave the sections of the Bill above specified for consideration at a later Session of the Legislature and, in the meantime refer the matter to the Law Reform Committee for consideration."

In view of the public importance of these sections, the Government has authorized me to reply to Mr. McDougall's letter as follows:

"Your letter of March 26th asking that Sections 19 and 52 to 55 inclusive of The Land Titles Act be referred to a Committee for further study is acknowledged.

"In view of your submission it has been decided to delete these Sections from the present Bill so that there will be more opportunity to consider the proposal further before another Session."

I thought I should acquaint the House with the correspondence before mailing my letter so that the House would be in full possession of the Government's policy in regard to this matter before anyone else.

MOTION RE 40-HOUR WORK WEEK

Moved by Mr. Davies (Moose Jaw City), seconded by Mr. Stone (Saskatoon City):

"That the Government of the Province of Saskatchewan, especially in view of the unemployment situation, be requested to study and consider the advisability of legislation which would provide, as speedily as possible, for a 40-hour work week with maintenance of earnings for employees in Saskatchewan cities and larger towns, and to be extended gradually thereafter to other areas of the Province as conditions would appear to warrant."

Mr. W.G. Davies (Moose Jaw City): — Mr. Speaker, this motion refers to a 40-hour week being studied and considered in Saskatchewan — the desirability, that is, of implementing the 40-hour week in the province of Saskatchewan. I make particular reference to that since this is not a motion which would cause the Legislature to definitely commit itself.

I would like to say, in speaking about the question of hours of work legislation in Saskatchewan and Canada, that there is actually not too much statistical information that can be obtained to justify the case for a 40-hour week, or any very specific information on all particulars. However, Mr. Speaker, I have endeavoured to gather some information and I would like too make that available this morning for the benefit of the members of the Legislature.

Perhaps I might begin by making reference to the fact that the International Labour Organization has for many years considered the matter of hours or work. The International Labour Organization, as I think members of the House know, is a world body composed of employer and employee representatives and Governments. It is, I think, the authoritative body on labour questions in the world today. Their first reference to Hours of Work was the I.L.O. resolution of 1919 which approved the proposition for the limitation of hours of work to eight hours a day, and 48 hours a week in industrial undertakings.

Finally, in 1935, the conference of that day adopted a resolution embodying the principle of the 40-hour week. So I say, the most authoritative labour body that we know of in the world has already given its endorsation to the principle of a 40-hour week.

I think, apart from that, I should like to deal, first of all, with the national trend in hours of work and the trends that justify a motion for a 40-hour week in this House, or anywhere else for that matter. The subject which comes first to mind is that of technology. What is the situation, today, in industry? What are the examples of present-day technology and of automation, (which is the newest word for that supertype technology we have heard so much about)? I am going to give a few examples, because I think it gives a good background for the motion I want to make here, this morning.

The amount of labour-saving that has been made through the applied use of technology is very startling in our own country, as well as in the United States. To give a fairly ordinary example, we can cite the Canadian Department of National Health, which now saves about 20,000 man-days monthly from the old method of sending out Family Allowance cheques, by the use of rather ordinary equipment which is not really automated equipment; but by the use of standard equipment which has been in use for some 25 or 30 years.

Another good example is that of the Canadian Pacific Railway Montreal office — the largest office of the organization in Canada — where they have installed an electric computer which handles 5 million Way bills, 9 million passenger tickets, 1,800,000 requisitions on stores and can take over 1,000 instructions for this type of work. This kind of machine, of course, has eliminated quite a number of workmen in other offices. It was announced, about a year ago, that the Canadian National Railway is to automate the Canadian revenue accounting system in their Montreal offices, which then employed 1,200 persons.

A great deal has been heard, especially over the last year and a half, of applied technology on railways. Of course, the fireman's dispute has brought this discussion to the fore. I think reference to the American experience might be useful here because the 40-hour week on the American railways came much earlier than it did in Canada. It came in the late 'forties. In spite of the application of the U.S. 40-hour week, there are, today, one-third fewer workers on the American railway system than there was in the year 1946. This, of course, Mr. Speaker, is with a tremendous increase in traffic — probably at least double the freight traffic than there was on American railroads in 1946.

I think all members are familiar with some of the examples that have been quoted about the automobile industry and the speed with which that industry is using technology in the displacement of men. An example is the McKinnon Industries in St. Catherines, Ontario, where they turn out V-8 engines for General Motors. All of the basic work on the engine block, more than 800 separate operations incidentally, are accomplished with only 27 men spread out over 1,020 feet of very complex machinery. At any one time there are 104 rough-cast V-8

cylinder blocks being machined in this continuous operation. It turns out, incidentally, 70 blocks per hour, and is by no means the ultimate in applied technology in Canada.

Perhaps the electrical and radio industry is another example of applied technology and the amount of extra production resulting. Mr. R.C. Tate of the Stromber-Carlson Corporation said, not so long ago, that the entire direct labour cost in a manually-wired radio chassis (of a type that he was referring to at that time in evidence given before an American Congressional Committee), often constitutes less than three per cent of the selling price of the set. With all of the television sets that are being sold today it might be interesting for the members to know that 14 Corning glass-blowing machines, each one of them operated by only one worker, produce 90 per cent of the glass light bulbs used in the United States and all of the glass tubes used in the U.S.A. radio and TV sets, (with the exception of the picture tubes).

I think, too, that some reference might be made to agriculture, because the increased use of machines in agriculture has also affected very much the man-hours on Canada and the United States farms. We are told that, in 1939, the number of persons engaged in Canadian agriculture had reached 1,364,000 persons. This number had dropped by 546,000 persons, or a drop of 40 per cent, by the year 1955. Even, Mr. Speaker, in 1954, which was a year of generally poor crops the smaller worker force produced 20 per cent more, in agriculture. In 1952, with 31 per cent fewer workers than in 1935, 25 per cent more in terms of value of products was produced on Canada's farms.

To return to some other general figures on automation, I apologize to the House for giving more American figures. They are rather more easy to get than Canadian figures. To show you what is happening in terms of the production of technological devices, especially those devices which have to do with the automation, there are 1,000 American companies now either partly or wholly engaged in the manufacture of equipment for automation. The aggregate output two years ago was more than \$3 billion in value. From 1947, Mr. Speaker, to the first half of 1955 the production in the American electrical manufacturing industry rose 87 per cent, but the number of production workers 40 per cent. The output of electronics industry in 1952 was 275 per cent higher than it was in 1947, and this was produced by only 40 per cent more workmen.

Some idea, in a single example, of what is accomplished through modern-day applied technological methods is given by Mr. B.D. Davis of the Ford Motor Company of the U.S.A. He commented that back in the year 1900 a skilled sheet-metal worker with only hand tools took about eight hours to shape the upper half of a fuel tank. Today, with the modern methods that are used only 20 seconds are taken. He commented that if hand tools were still used to make the upper half of this same fuel tank the labour costs, today, would be approximately \$15. The actual cost, today, is only a few cents.

I have other examples, but I think those might suffice to show the depth of new technological changes which have taken place both in this country and in the United States. One final example,

perhaps might be given of Canadian operation — I don't think this really would fall under the heading of automation, but rather just use of already-known machines.

Some of you will know that one of the jobs in the packing-house industry is that of removing hides from slaughtered animals. This used to demand a very high manual dexterity and years of experience on the part of the workmen engaged in that operation. Now a system has been developed in Canada where the whole job is completed by employees without special skills, after a semi-skilled worker has made a single incision. Where it used to take 98 top-rated workers to skin 110 steers an hour in Canada Packers, in Toronto, 47 men are now able to maintain the same rate. That is a good example, not of automation, as I say, but merely the application of a technical method that has been known about for some time.

What has happened, of course, is that we are increasing production. I tried, when I spoke in this House on another occasion, to give some indication of just what is happening in terms of vastly increasing productivity in Canada, today. Of course, I think all sections of the community, including the organized labour section, look to productivity, not to prevent it, but to enlarge it for the good of society as a whole.

Mr. Speaker, everyone in the House knows that there have been fears voiced not by the leaders of organized labour, but leaders in other sections of the community, that the fruits of automation may not be available to the community as a whole. I think that the production that we have known in this country and in the United States is one of the chief justifications for the introduction of a 40-hour week by legislation.

The question of unemployment became, I think, in the recent federal election campaign the chief issue, tied in, in Saskatchewan, with the question of low farm prices. But generally speaking, across the nation, I don't think anyone could deny that the main issue is that of unemployment. We know that from December 1956 to the same month in 1957 — if we use the Dominion Bureau of Statistics figures (which are lower figures than the National Employment Service figures), there is still 107.5 per cent increase in the number of unemployed; and if we use the National Employment Service figures for the same period — that is, from December 1956 to December 1957 — the increase was 81.82 per cent. So whichever way we look at it, unemployment has certainly become a serious matter for the nation to reckon with. I was interested to hear, last night, Prime Minister Diefenbaker remark after the announcement that his Government had been returned to office that one of the first tasks would be that of remedying unemployment.

Now I have said that productivity, created by automation and technological means, is something that is pretty generally acknowledged. However, there might be some purpose in giving the House certain figures today, because, while many acknowledge lower hours of work are necessary, there is a field of opinion in Canada that disputes that there has been an increase per capita in productivity. It is alleged that lower hours and higher wages of workmen have been responsible for the inflation we have known over the past ten years.

I would like to give a simple example, first of all — in the year 1956, Mr. Speaker, total wages and salaries for a very greatly increased force of wage and salary earners were \$8,063 millions higher than in the year 1947. But the Gross National Products of the country had risen by \$16,098 millions. In 1947 we had a total wage bill of \$6,221,000,000; in 1956 there was a total wage and salary bill of \$14,284,000,000. The Gross National Products of the earlier year was \$13,768,000,000 whereas it was almost \$30,000,000,000 in 1956. This rate of increase has not stopped. According to the Gordon Commission report, per capita productivity is going to continue. The Commission has predicted that by the year 1980 — not so far off now — there will be a real increase of two-thirds extra production for every person in the country. A per capita increase amounting to two-thirds greater by the year 1980 anticipated!

I think hon. members know it is expected that the population of Canada by the year 1980 will be in the neighbourhood of 28,000,000. With a production two-thirds higher than now, it does seem to me that some means are going to have to be found to consume the additional goods. In effect, what we are going to have to do to maintain employment — maintain the 28,000,000 persons who will be in Canada in 1980 — is to find some means of using this extra productivity.

I may say, Mr. Speaker, that the net real productivity increase in Canada for all groups, in 1955 since 1945, was 36.4 per cent per head of population; real wages and salaries rose in the same period by about 25 per cent.

Now what has happened, Mr. Speaker, to hours of work in this period of time? What has happened in the period of time we have known this increased production? Well, hours of work, generally, have taken a considerable drop throughout industrial employment. In October 1956 the Dominion Labour Department survey which can be found in the 'Labour Gazette' showed that 85 per cent of all Canadian plant workers were on a five-day week and there have been downward changes since that time. Two out of three plant workers were engaged for 40 hours or less each week. As at June 1, 1957, the average hours in manufacturing were as follows: Newfoundland 44.8 hours per week;

Nova Scotia 41.8 hours per week; New Brunswick 40.8 hours per week; Quebec 41.3; Ontario 40.2; Manitoba 40.3; Saskatchewan 40.3; the same as Manitoba; Alberta (somewhat lower), including the N.W.T., 40 hours; British Columbia including the Yukon Territory, had an average of 38.4 hours per week.

So as we look at the average hours of manufacturing across the country it will be seen that if there were to be an Hours of Work Act to apply across the country, fixing 40 hours per week, it wouldn't really be a very drastic step. It would be the confirmation of an already established trend.

I have made reference to the question of farm technology and the increase in the amount of production in Canadian agriculture. I don't know whether it is necessary to give any further figures or not; I should rather imagine that many members of the House would be able to give far better information on that than I can. I would like to say, though, that apart from the figures I have given to the members here, Mr. Speaker (which have had reference to the manufacturing industry mainly), some other figures may be of interest to show the amount of extra production per employee in Canadian industry over the last 10-year period from 1945 to 1955. First of all I would like to take the section known as the "Foods and Beverages" group; that is those areas of employment that can be classified under that general heading. The figures that I have here reveal this: in 1945 the average wage for an employee in that sector was \$1,438 and some odd cents; in 1955 this had risen to \$2,769.73 — an increase of \$1,331 odd, but the Value of Product per employee in 1945 was \$3,569, and it had increased by 1955 to \$6,984 per employee, or an increase in value produced of \$3,415 for every worker in that group.

Similarly, the employees of Sask. Flour and Feed mills which is another group which I took a look at — something along the same lines will be seen. The net value of product per worker in the year 1945 was \$3,434 and this had risen, in 1955, to \$10,235 — an increase in the net value of product per worker of \$6,801. To take the average salary or wages in the same period: in 1945, the average salary and wages per worker was \$1,728; this had increased by 1955, to \$3,316 per worker, or an increase of \$1,583 in wages and salary. Putting it this way, Mr. Speaker, an increase of \$1,588 in wages and salaries procures an increase in production per employee of \$6,801. That is quite an illustrative figure to show what has happened in that employment group.

Much has been heard about the retail trade and this, incidentally, is not, generally, an organized area of employment. But the figures that I have been able to get show the same kind of trend as in the figures that I have already given to you. These sales I shall use are what we call deflated sales; the inflationary factor

has been deducted. For deflated sales per employee, taking the years 1930, 1941, and 1951 — sales per employee in 1930 were \$9,465, in 1941 this had increased to \$9,781; in 1951 to \$12,278. Now this I may say is all retail stores excluding automotive sales because of the tremendous jump in those sales in the last 10 or 15 years. Perhaps it might not be valid to project them in these figures.

I have dealt with Canadian unemployment, but what is the picture in Saskatchewan? Well, roughly, without giving you the exact figures, the latest reports show that there are some 26,000 persons who are jobless registered at the N.E.S. offices during the month of March. I think it is also important to state that the average daily unplaced applicant figure in Saskatchewan from February of 1957 to January of 1958 was 11,448 persons. In other words, in this period of a little less than a year there was something in the neighbourhood of 11,000 persons unemployed for every day in the year, in Saskatchewan. It has already been said by other speakers that our unemployment rate is not as serious as in other provinces. I think that everyone would agree that a rate of approximately 11,000 unemployed persons for every day of the year is nevertheless a serious enough figure to take a real good look at it and do the utmost we can to reduce it.

I have spoken about Canadian productivity and have given some of the figures on productivity in the province, since the resolution relates to Saskatchewan. Some more will be useful here. I am going to take, Mr. Speaker, a 20-year period — the 20-year period from 1935 to 1955. In this period the Net Value of Production in manufacturing in this province rose 116.5 per cent for each workman engaged in the industry. In the same period wages rose 56 1/2 per cent. Again these are the constant value figures so that inflation is not a factor.

In the Saskatchewan meat-packing industry, from 1945 to 1955 the Net Value of Production per workman rose by 57 per cent and wages by 5 per cent — again in real value. In the petroleum industry in this 10-year period from 1945 to 1955, the net value of production rose by 143 per cent for each workman while the wages rose by only 35 per cent.

Now I think it is possible to give further examples but these should illustrate what is happening in the area of wage and salary earners in this province and the country. I think it should illustrate the need for measures that will assist in reducing unemployment first, Mr. Speaker, and secondly, to do something that will absorb the number of workers that would otherwise be displaced by modern technological means and devices.

Much is said about the increase of the number of employees in manufacturing. I was very surprised to learn that across Canada the number of persons engaged in manufacturing in this country from 1945 to 1955 was only 3.5 per cent. There has actually only been, Mr. Speaker, two provinces in Canada that have had any increase in the number of workers in manufacturing. It is common knowledge that the increase in production values has been great; that there has been an enormous jump in the value of productivity. But the fact of the matter is that over this very important 10-year period the increase, percentagewise of employees in the Canadian manufacturing industry was only 3 1/2 per cent. I think the figures are indicative. They show that with all this great increase in production value, the number of employees has not increased commensurately and it is for a situation of this kind that the 40-hour week can be one way, and I emphasize it is only one way, of combating a displacement of persons who would otherwise be out of a job.

I have made mention already, Mr. Speaker, that the move to a 40-hour week legislation here, or anywhere else in Canada, would not be very startling, it wouldn't be a very revolutionary step in the midst of prevailing hours trends, which I think are well illustrated by the figures I quoted a few minutes ago. The 40-hour week, I should say, is not a matter which would benefit only the organized worker. If you will look at the last Department of Labour Annual Report, you will notice a large group of Canadian Union organizations listed there. These are organizations that are functioning in Saskatchewan. I looked over that group, the other day, and I can say that in 80 per cent or better the five-day week is already applicable; and therefore I do not think that legislation to implement a 40-hour week would benefit most the organized worker; it would benefit most of all the unorganized workmen who do have not the benefit of effective bargaining, or for that matter any kind of bargaining.

I would like to suggest this — that when you have a large area already under the 40-hour week and where you have other areas which do not come under reduced hours of work, you are actually creating a situation where there is an unfair competitive atmosphere for an employer who already has reduced the hours of work. I think that no matter what you can do by effective collective bargaining that situation will maintain for a long time. It must be remembered too, that in Saskatchewan and elsewhere in Canada most of the workmen are not organized. In Saskatchewan there is probably, as in the rest of Canada, about one out of every three workers who organized in trade unions so that hours legislation is something that would assist the unorganized employee. Legislation of this type is very necessary to see that an unfair type of situation does not continue to exist.

I suggest, too, that our local administration, our civic administrations, are realizing the need for legislation that does something to confirm the lower hour trend. Everyone is familiar with the fact that the City of Regina has instituted, by local bylaw, the

five-day week, when all stores are closed on Mondays. I understand this is also a question which is being discussed in every one of the province's main cities — Prince Albert for one discussed the question during January and February. I haven't the latest information on what they have done but I was told that they intend to proceed with the introduction of a bylaw to that effect in Prince Albert. I was in the town of Maple Creek, last summer, (and I am not sure if the same situation applies for the rest of the year), but even in that much smaller community the five-day week had been instituted by local bylaw. I think the same general situation is true in very many communities. I believe that, today, there is a substantial measure of thinking in the province on the part of employers for some legislation that will create uniformity which will be in the best interests, not only of the employees, but of business, too.

While I am on that particular aspect I should remind members again that the resolution before us here refers to the consideration of legislation that would introduce a 40-hour week in the cities and larger towns as a first step, and that it would be introduced beyond that whenever it was deemed desirable or whenever it became financially and economically feasible for such areas.

Some critics of hours of week legislation put forward this kind of argument — that it is wrong to make things so uniform and so rigid so there are no exceptions and when every business and industry is constrained to the same mould, Mr. Speaker, I would like to point out that that is not now, even under the present Hours of Work Act, quite true. The present Hours of Work Act, first of all, by its own terms directly excludes certain classes of workers. Secondly, it permits the exclusion of other clauses and permits, by Order-in-Council, variation and modification of the terms of the Act to any class of employment in this province. So that if a good case were made out by any employer or any particular industry the Act already permits variation and modification. And indeed, if one looks at the Orders of exemption and variation that now exist this is very true — there are quite a considerable number of Orders that it has been considered necessary to implement by altering the terms of the present Act by regulation.

I suppose that an argument has been made (and may be here advanced) that a 40-hour week by legislation might institute or create a period for disadvantages for new industry coming into the Province. It seems to me, Mr. Speaker, that this is a fallacious consideration. First of all, in both British Columbia, Ontario and Alberta, if one takes those three provinces as examples, the rate of wages and salaries for all workmen, skilled and unskilled are generally higher; and the fact of higher salary and wage schedules in a province like British Columbia has not deterred the creation of new industries. Everyone knows that the advantages and resources in

British Columbia have very much helped to increase manufacturing and other facilities in the past ten years. If any province in Canada has boomed it is British Columbia. Higher wage standards there have not prevented industry from coming into the Province; and moreover the general hours schedule, around 38 hours a week, (a bit less than in this province), has not prevented employers from locating in British Columbia.

I suggest that the question of hours is not really a serious consideration for industries that are wanting to locate in this province unless — and I make this one exception — they are the type of industry that wants to leave one community for the reason of locating in another where substandard wage rules may be introduced with impunity. There is that situation in the United States where some of the industries in northern states have flown to the southern states where they don't have the same legislative requirements for minimum wages. But I do not personally think that that type of industry will ever be an advantage to this province or any other province. The low purchasing power that is engendered and the problem for the community of looking after people who cannot make a sufficiently high wage to get by in that type of industry, I think effectively precludes the consideration of that type of industry in a province like Saskatchewan where we believe in fair standards for workers.

It might also be said that the 40-hour week may crate extra costs ad that these costs may be reflected in the farm economy. First of all, Mr. Speaker, I would like to say that I believe the figures I have given the House should show fairly effectively at least, that a 40-hour week could be instituted in all areas of employment without raising labour costs. In effect, workmen are now receiving less than they should of their share of productivity of industry, both in this province and in other provinces; so that the 40-hour week would help restore the balance that is now weighted against the workmen here and elsewhere. However, I would like to point this out — that considering the direct labour costs of farmers in this Province the publication 'Farm Net Income' of the Dominion Bureau of Statistics shows this — and I am now using comparisons for the years 1935, 1945, and 1955. (These figures reveal the cost of hired labour on Saskatchewan farms as the percentage of the total farm operating and depreciation costs in these years I have just mentioned).

In the year 1935 the percentage of total operating and depreciation costs of hired labour, 11.4 per cent. In the year 1945 there hadn't been very much change in the cost of hired labour; it was 11.7 per cent. But by the year 1955, Mr. Speaker, the percentage had dwindled to 8.7 per cent and I think the reasons are pretty apparent. The rapid introduction of machinery reduced the need for hired labour on Saskatchewan farms, among other factors, which perhaps

are too obvious to mention. In any event it is clear that the farmer's costs for hired labour, percentagewise, has been considerably reduced in the last decade or more.

I might also say that the reduction in average hours of work in Canada has not only been an important thing for wage and salary earners in this country; it has also been important for the agricultural population. The Royal Commission on Canada's Economic Prospects — again making reference to hours and productivity — predicted that the average hours per week per man in agriculture would fall from 55.3 hours in 1955 to 43.75 hours in 1980. It also predicted that in non-agricultural employment the hours would fall from an average of 41.3 per week in 1955 to 34.3 in 1980. So that again I suggest that everything we know now, and everything we know from the experience especially of the last decade; and everything we know from the best predictions that we can get from what I would think are rather conservative experts, point to a continuing reduction in hours of work for everyone. I suggest that is required to eliminate the fringes; those areas that persist in substandard employment and where they would be maintained for many thousands of workmen without legislation. I say, too, that with local communities, like Regina, taking action on the work week that it is desirable to effect a degree of uniformity. I have pointed out, Mr. Speaker, that I think legislation of this kind would be greeted across the province, by not only labour but by a large section of business itself.

Apart from everything else we are now competing with other provinces for the services of wage and salary earners who are now living in Saskatchewan. Workmen who leave the province and go elsewhere do so, I think, because other provinces may — certainly not in all cases but in some instances — offer better rates of pay, better conditions of work, better fringe benefits, if you like, in terms of vacation, in terms of hours of work per week, and so forth.

I think it is very necessary that we look to our skilled pool; and we do not, in Saskatchewan, by any means have a negligible skilled labour pool, as well as to those who are comparatively unskilled. We should take measures to make our province the most attractive place for our wage and salary earners. I point out that for many wage and salary earners in this province, it is not a matter of then having lived all their lives in the cities. I took a survey some years ago from those attending the Union Educational Weekend Institute and from other unions across the province. From the samples that I took there were two out of every three of our trade union organization in Saskatchewan, Mr. Speaker, who originated from farms. They didn't originate in the cities; they came from the farms; they are the sons and daughters of farming people. A 40-hour week here is not something that is going to benefit someone alien to the

hours - that is, from the time you punch the time clock when you come to work to the time you punch the time clock when you finish your work at five or six o'clock, whatever the case may be. The hours of work in agriculture are different. There is not quite the same intensity of work throughout the year and certainly if you ask a farmer what his hours are, he is inclined to give you the hours between the time he rose in the morning and the time he goes to bed at night. I am not trying to make here an invidious comparison, but I would like to say this — that many of us don't consider the time that it takes the worker in the morning to get to his work and to get from his place of employment to his home. These hours are an important factor, even if we have not yet recognized them as working. But certainly if all the hours of work concerned in the employment of a workman are into consideration they are not merely the "clocked" hours of industrial time which are the hours we going on in the figures that I have given in this House, today.

I suggest, Mr. Speaker, that the 40-hour week, putting it in a nutshell, is a social investment for the whole population. It is something which will provide more purchasing power; it is something to offset unemployment; it is something to confirm the trend in the times and to use the greater productivity which is becoming increasingly prevalent. I would like to point out that Saskatchewan is one province where these changes over the last 20 years are certainly apparent. After all, we have a population which, in 1956, is predominantly non-agricultural. The total number of persons on the farms, in 1956, was 360,651; the population not on the farms, the non-agricultural population, was 520,014 or 59 per cent.

I have already pointed out to you that the 40-hour week has been considered by the International Labour Organization and has certainly been considered by other countries. The United States Federal hours of work law, in 1938, established for industries under federal control a 40-hour work week and I don't think anyone has complained that the result, over the years, has been damaging to the cause of production. In the long run the 40-hour week will be a good thing for the farming, as well as urban communities, because the increased purchasing power does two things. It consumes a greater portion or a

greater quantity of farm production and secondly, it creates a grater body of domestic purchasing power to buy from the countries we are now selling grain to. This helps our exports, to other countries. I think if there is any principle in trade which is continuous it is that principle of reciprocity. Reciprocity is the life of trade; you cannot continue to sell without taking something in return. If you do not have, Mr. Speaker, a basic and relatively high percentage or portion of purchasing power in your domestic population, it is therefore injurious in the long run to the farming population.

I would like to conclude my remarks, Mr. Speaker, by referring, perhaps, to the general or more social aspects of hours of work. The 'International Labour Review' which is the official organ of the International Labour Office discussed, under the heading of an article 'Repercussions of the reduction of hours of work' the benefits of greater leisure, and with your permission I would like to quote briefly from this article. The author says:

"The extent that the complexities of work in a modem community lead to greater fatigue and greater strain . . .

"Leisure in modern life is needed for other reasons, too. The growing specialization of an industrial society tends to mean that only a small part of the various capacities of the individual is utilized during his working hours. The same forces, those making for higher productivity that have made increased leisure possible through the last century have also made leisure more necessary for all the many workers whose job cannot, by their intrinsic nature, provide a main focus of interest in their lives, or opportunities for self-expression or all around development."

The author also says:

"At the same time the demands made upon a worker during his leisure tend to increase those complexities. To give only two examples the task of raising a family and the task of discharging one's civic obligations probably call for more thought and care and effort, today, than in the simpler societies of the past. In addition

there are, today, new opportunities for making valuable use of leisure, opportunities for cultural education and enjoyment, for vocational and professional training, for sports and for travel. These opportunities are bringing to the ordinary men and women educational and cultural possibilities that in the past were confined to just a few. But they compete for limited hours of leisure with the need for rest and the task of running a household and bringing up a family and being a good citizen."

The author concludes:

"Adequate leisure is a necessary condition for leading a full rounded useful and satisfying life, insofar as more leisure makes for less fatigue, for better health and fuller development of individual capacities, better care of children, greater attention to civic obligations and better education on cultural levels, it may improve the quality of living and the calibre of men and women of today and tomorrow; and incidentally, make for higher productivity, greater opportunities for general education and for improving their technical qualifications, may enable workers to participate more actively in economic and social life and to make increasingly valuable contributions to economic and social progress."

I think, Mr. Speaker, that that quotation is a thoughtful analysis of the basic meaning of legislation for the reduction in hours of work.

I suggest again that the resolution that I have placed before the House is not one that calls for final action on the part of the Legislature, but asks that there will be study and consideration of the advisability of legislation, as speedily as possible, for a 40-hour week with maintenance of earnings for employees in Saskatchewan cities and larger towns, and to be extended gradually thereafter to other areas of the Province as conditions would appear to warrant.

I hope that the House will give this motion support and that we will come nearer to the final hours legislation in Saskatchewan.

I therefore move this resolution, Mr. Speaker, seconded by Mr. Stone (Saskatoon City):

"That the Government of the Province of Saskatchewan, especially in view of the unemployment situation, be requested to study and consider the advisability of legislation which would provide, as speedily as possible for a 40-hour work week with maintenance of earnings for employees in Saskatchewan cities and larger towns, and to be extended gradually thereafter to other areas of the Province as conditions would appear to warrant."

Hon. C.C. Williams (Minister of Labour): — Mr. Speaker, the junior member for Moose Jaw (Mr. Davies) has presented us with a great deal, of information and statistics in regard to the various labour matters, particularly wages, hours of work and so forth, all across Canada and the United States. However, I feel that this legislature might at this time, be advised in regard to the labour legislation now in effect in Saskatchewan as compared to what is in effect in other provinces.

May I say, first, that I am not opposed to the 40-hour week. In fact we have it in many industries, many shops and so forth across this province, including all of our Crown Corporations. The Civil Service, for instance, is on even less than 40 hours a week; it is on a 37½ hour week. Some employees have provided the 40-hour week on a voluntary basis and many unions have secured that for their membership in various parts of this province.

I have here a booklet entitled "Provincial Labour Standards", which is put out by the Federal Department of Labour every year. I would just like to turn to page 9 of this book, and dwell for a moment on the heading "Maximum Hours of Work in Mines, Factories, Shops and Offices" and I will be as brief as I can.

We have in Newfoundland an eight-hour day in shops and offices for female employees under 18; in Nova Scotia, an eight-hour day for miners below ground, but nothing else; in New Brunswick, an eight-hour day for miners below and above ground, nothing else; in Quebec, there is a 10-hour day, 55-hour week for female employees under 18 in factories, and a 60-hour week in shops for female employees under 18 in towns of 10,000 or more. Ontario has an eight-hour day and a 48-hour week across the province. Manitoba has an eight-hour day and a 48-hour week across the province, and an eight-hour day and a 44-hour week for female employees. We will skip Saskatchewan for the moment and get to Alberta, where they have an eight-hour day and a 44-hour week in the four cities, Lethbridge, Medicine Hat, Calgary and Edmonton and a 48-hour week over the balance of the provinces.

British Columbia has an eight-hour day and a 44-hour week over the entire province. Coming back now to Saskatchewan we have an eight-hour day and a 44-hour week in the 10 cities and 15 larger towns, and a 48-hour week aver the balance of the province.

I have a notation here to the effect that I believe that any reduction in hours of work in the province of Saskatchewan should first take place in the areas where there is now a 48-hour week. I would like to mention the fact that legislation we will be bringing in tomorrow or the next day, will provide three weeks, holidays for employees with over five years of employment with the same employer.

I would like to take a moment to speak on the "Annual Vacations With Pay", found in this same booklet. We will take the province of New Brunswick, which has one week's vacation with pay for those in mining and construction industries only. Quebec has one week across the province; the same with Ontario, one week; Manitoba has one week, but two weeks after three years of service. We'll skip Saskatchewan. Alberta has one week to start — one week for the first two years and two weeks after that; British Columbia has now, just effective July 1, 1957, two weeks' holidays the same as we have, and I will just repeat what I said a moment ago, we are having the third week after five years of service.

We go from there to "Minimum Rates for Experienced Workers" under The Minimum Wage Act. I will skip that one; it's too complicated and might take a lot of time. But I will get to the main one which takes into consideration factories, shops, offices, hotels, restaurants — I think we'll skip the Maritimes to save time. In Quebec, the rate is 51 cents an hour in Zone 1, which is Montreal and district — the larger centres, in other words. It is 46 cents per hour in Zone 2, which is Quebec and districts and towns over 10,000; and 41 cents per hour in Zone 3 — the balance of the province. Let us just remember that for the moment, that is for factories. It is just the same for shops and offices and hotels and restaurants. Then we get down to 51 cents an hour; 58 cents an hour for cooks; bellboys, porters and so forth, 30 cents an hour. We had almost forgotten about 30 cents an hour, but we still find it in effect in Quebec. In Ontario, the rate is \$22 a week (this is factories which I speak of) for female employees. For some reason or other, the province of Ontario has no minimum legislation insofar as male employees are concerned; so we have \$22 a week in Ontario in the larger centres, \$20 a week in intermediately large centres, and \$18 a week over the balance of the province. It is the same for shops, offices, hotels, etc. In Manitoba, we get in the cities, 55 cents an hour, in factories for female employees, and 60 cents for male employees. It is 52 cents an hour over the balance of the province — this is the same for shops, offices, hotels and restaurants. We'll skip Saskatchewan for the moment and get to Alberta, where the rate for female employees is \$28

a week in centres of over 5,000 population, and \$24 a week over the balance of the province. For male employees, the rate is \$30 a week in centres over 5,000 population, and \$26 a week over the balance of the province. That is also the case in shops, offices, hotels, etc. Please keep in mind, Mr. Speaker, that this \$30 a week only applies to male employees in centres of over 5,000 population. We get to British Columbia, and the rate there for female employees in factories is 60 cents per hour. Male employees get 75 cents an hour; shops 65 cents an hour; offices, 75 cents an hour for both male and female, and for hotels and restaurants the rate is \$22 a week.

Now, to come back to Saskatchewan, we find that the rate here is \$30 a week for both male and female employees in factories, shops, offices, restaurants in the 10 cities and 15 larger towns, and the rate is \$29 a week over the balance of the province. It is a fact that for young people who are 16 or 17 years of age, the rate is \$2 a week less. So there we have \$30 a week in the larger centres of this province — in the 10 cities and 15 larger towns; and in Alberta that \$30 a week only applies to male employees in centres of 5,000 population or more.

We are away ahead of any other province in the Dominion of Canada insofar as minimum wages are concerned, and while it is true that nobody would ever expect to make a career out of employment that can only pay the minimum wage, it does indicate a stepping-stone and our young people start in at these minimum rates, and usually, I suppose, in 99 per cent of the cases, go on to something else a little later on. However, it does provide our young people, leaving home for the first time, with a reasonable standard, and it also has the tendency of being a basis upon which other wages in other industries may be built and are built for the general welfare of all concerned.

I have some information here on Workmen's Compensation. As we all know, 14 years ago when a workman was injured anywhere in Canada, he was to be paid two-thirds of his salary while he was off. I think in the eastern Maritimes, it was only 60 per cent; but let us keep that 66 2/3 per cent in mind for the moment. We immediately raised that up to 75 per cent, and received a good deal of opposition while we were doing it. We put it into effect, and now every province in Canada west of the Maritimes has gradually, year after year, one would come up with 75 per cent, and a couple of years later one of the other provinces would come up, and now they are all up to the 75 per cent mark now.

Another improvement we made was in payment to widows. In 1944, that rate was \$40 a month. We have gradually increased it, and it is now \$75 per month, and in the province of Ontario they are up the same as we are. Manitoba is still \$50 a month; Quebec, \$55; New Brunswick, \$50; Nova Scotia, \$45; Saskatchewan, \$75; Alberta, \$60,

and British Columbia, \$75. So we have led the way there, and two provinces have come up to us, namely, Ontario and British Columbia. Saskatchewan is \$35 for orphans, and while there are not so very many of them, it is an indication as to how we feel about these unfortunate children when they are left without parents. No other province is any higher than \$30, and most of them are \$25 a month.

In the event of the death of a husband who is killed accidentally in industry, we immediately provide the amount of \$250 in a lump sum to the widow to take care of immediate bills, and so forth. The next province to that is Quebec, at \$200, and Ontario, \$200. Alberta is \$200, and British Columbia is up to us now at \$250. There are many more details I could go into, Mr. Speaker, but I do not wish to take the time. But we are ahead of any other province insofar as Workmen's Compensation benefits are concerned.

I have a list here of benefits in case of disability, but I am afraid that would take entirely too long, Mr. Speaker.

We also brought The Trades Union Act into force in the latter part of 1944. It was patterned after the Wagner Act of the United States, which was put into effect there sometime during the War. Our Act contains a check-off which is merely dues which are deducted from employees' salaries and turned over to the Union concerned, I think once every month, or something of that kind. It is a great convenience for the Union itself. It saves shop stewards going around and saying, "Here, you owe me \$2 this month for your dues; how about paying up?" it is also beneficial to the employer, because there is no time wasted in the shops in going around collecting these dues. So the check-off has become an accepted thing so far as the province is concerned, and I believe it is part of many union agreements outside this province, but we have it right in the Act.

Then we have Maintenance of Membership. Every employee who commences employment must join the union within 130 days as a condition of employment. If he refuses to join, of course, he has to be let go. We don't have very much difficulty with that, although there was strong opposition to it, I remember, when this Act was being put through the Legislature in 1944.

The Act contains 11 unfair labour practices, and I think it only fair to say here that nine of those unfair labour practices are against the employers; two are against the employees. In connection with that, I might mention — and there are quite a few members in this House at the present time who were not here in 1944 when we had the difficulty with the then owners of the Prince Albert Box Factory. One of the conditions of the Act is that employers must bargain in good faith with the union of the employees' choice. Well, for those of you who did not know about it, the employers maintained sort of a diffident attitude with the employees. They would say, "Go and see a

lawyer; he'll bargain for us". They would do that, but nothing would happen. That went along for quite some time. Finally it came to Cabinet. It got so bad that they brought it into Cabinet, and the then owners of the plant came down and were quite agreeable to going ahead and negotiating with the employees, and two or three days later went back to Prince Albert, and it is my understanding that they immediately made some sale on paper from the present owner to a member of his family, fired all the employees, and hired new ones. That was a direct defiance of the intent of the Act, and the Government stepped in; but being unable to do anything further to bring about amicable relations between the employer and the employees, they took over the box factory . . .

Mr. Speaker: — Order! I would like to ask the hon. Minister to stay a little bit closer to the motion which refers only to hours of work.

Hon. Mr. Williams: — Yes, all right. The hours of work at that time was quite a contentious thing, Mr. Speaker.

Mr. Speaker: — I see the hon. Minister is comparing working conditions between the provinces. I wish he would stay a little closer to the motion.

Hon. Mr. Williams: — Yes, that is quite in order, Mr. Speaker. The hours of work on that occasion were 54, I think — if I remember rightly; and they wanted to bring them down to 44, but they eventually settled, I believe, for 48.

I was just finished, there, Mr. Speaker, and wanted to give the House the information as to how we got this box factory, it being one of the violations of the labour practices, and thus a violation of The Trade Union Act.

I just want to say in closing in regard to The Trade Union Act, that the union organizers and those who negotiate contracts are greatly assisted by the provisions of The Trade Union Act, I would like to say that it is quite a well-known fact that Saskatchewan has the most progressive labour legislation anywhere in Canada and the United States, and I think I have definitely proved that, in the last few minutes, by going through this book put out by the Department of Labour of the Federal Government. We are away ahead of any other province, which has been a splendid thing, because other provinces are gradually following our lead for the benefit of many thousands of wage earners all across Canada.

Mr. A.L.S. Brown: — Mr. Speaker, I don't at this time intend to take up much time of the House, but after what I went through during the past three or four days, I think I

would be prepared to settle for a 40-hour day, because I am convinced that, in the last three days, I have put in more than 40 hours of work each given day. But I realize that, as far as the national results are concerned, I might as well have worked only one hour a day.

I do agree with practically all that has been said in the House, this morning. I do agree that in total there has been two large groups of occupational people in Canada who have not benefited to the extent that they should have, in the industrial expansion we have had in Canada, who have not benefited to the extent they should have in respect to the increased productivity that has taken place in Canada. Those two large groups are the people who till the soil, and those people who work with their hands in the factories, mines and other places. I do agree that one of the means by which these people can obtain a greater amount of security, and a greater degree of benefit from the greater potential and actual increased productivity that we have in our country, is through the medium of shortening the hours of work. I do suggest however, in the light of the chanted atmosphere that took place in Canada as of yesterday, that possibly we should reconsider our thinking in this respect, and should think in terms of a Canadian economy and, in respect to any labour legislation, possibly we should think in terms of a national labour code by which all people of Canada can get the greatest benefit out of our Canadian economy irrespective of whether they live in Quebec or the province of Saskatchewan.

So, in view of the changed atmosphere that has taken place in Canada and in Saskatchewan as of yesterday, I would ask leave to adjourn this debate to give this matter further consideration.

Mr. McDonald: — What's that got to do with it?

Mr. Brown (Bengough): — You'll see.

(Debate adjourned)

UNITED NATIONS - Nuclear Tests Ban

The House resumed from Tuesday, March 18, the adjourned debate on the proposed motion of Mr. Heming:

"That this Assembly urge the Government of Canada to intensify its efforts to make the United Nations a more effective organization for the promotion of harmony and good will among all nations by proposing that:

(1) membership in the United Nations be open to all nations;

- (2) all nuclear weapon tests be abandoned; and
- (3) a permanent international police force be established to afford all nations the opportunity of dealing effectively and immediately with acts of aggression."

The question being put, it was agreed to, unanimously.

FEDERAL-PROVINCIAL AGRICULTURAL CONFERENCE

The house resumed from Tuesday, March 15, 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;
- (c) National Marketing Boards for major agricultural products;
- (d) a program of full employment to maintain the domestic market for agricultural products;
- (e) Sale of agricultural products by barter arrangements, or in the currencies of the importing nations;
- (f) a program of national crop insurance; and
- (g) a national credit program to meet the needs of agriculture,

And the proposed amendment thereto by Mr. McDonald:

- (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;

- (2) That the following clauses be added 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;
 - "(1) bring wheat, oats and barley under definite price supports;
 - "(m) extension of the program, to pay storage on surplus grain."

And the proposed amendment to the amendment by the Hon. Mr. Brockelbank;

- 1. That clause (1) of the proposed amendment be deleted, and the following substituted therefor:
 - "(1) That paragraph (c) be amended by a adding thereto the following words: 'where such products involve interprovincial or export trade'.
- 2. That paragraphs (h), (j) and (k) be deleted, and the following substituted therefor:
 - "(h) the opportunity for farmers to deliver to The Canadian Wheat Board at least a normal crop in each crop year, and, in addition, to receive an initial cash payment through the Wheat Board on grain suitably stored in sealed bins on the farms.
 - "(j) distribution of box cars to country elevators on such a basis that farmers will be able to deliver their grain to the elevator of their choice.
 - "(k) increased research into new uses and new markets for agricultural products."

3. That the following, words be added to paragraph (m):

"to include payment for storage to the farmers when grain is suitably stored in sealed bins, and increasing initial payments during the crop year to encourage construction of farm storage facilities."

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

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

Mr. Speaker: — It is my duty to inform the Assembly that the mover of the motion (Mr. Dewhurst) is about to close the debate, and anyone wishing to speak should so now.

Mr. F.A. Dewhurst (Wadena): — Mr. Speaker, I don't intend to prolong, this debate, but there are one or two comments I would like to make. When I moved this resolution, I mentioned that there had been a number of resolutions passed in previous years along similar lines with which I had been connected, so I don't intend to repeat myself at this time. However, there is one point I would like to have made clear for the records. When the seconder of this motion (Mr. A.L.S. Brown) was speaking he was charged by the Opposition that, a year ago we had voted against \$2.10 wheat; so I would like to refer hon. members opposite to the 'Votes and Proceedings' for April 10th last and if they will peruse those 'Votes and Proceedings' they will see that a motion in this House was moved for \$2.10 wheat by the Opposition, an amendment was moved by Mr. Elias of the Social Credit group, and a sub-amendment by Mr. Brown and myself.

You will notice, Mr. Speaker, when the vote was taken on the sub-amendment, the amendment or the motion as amended, the only ones supporting the sub-amendment, the amendment as amended and the motion as amended was this side of the House; and I don't think I could let the vote go on this resolution today, without correcting that statement, which was made earlier in this debate, and was made on previous occasions, that we a year ago had voted against \$2.10 wheat, because at no time did we vote against it. This side of the House voted for it; the other side voted against it. There are a number of other points that came up during the debate on this resolution I would like to have replied to. Seeing that time is passing along, I am sure they are not that important at this late stage. So with that, I will close my remarks at this time, Mr. Speaker. I would just like to reiterate that at no time did this side of the House vote against \$2.10 wheat, as the 'Votes and Proceedings' for April 10 last will show.

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

SECOND READING

Bill No. 96 — An Act to amend The Power Commission Act.

Hon. Russ Brown (Minister i/c Sask. Power Corporation): — Mr. Speaker, there are three amendments proposed in this Bill to amend The Power Commission Act. One of them is rather a minor amendment. It deletes sub-section (2) of Section 7 which places some responsibility for the Commission on the Power Corporation. It is proposed that we withdraw that. The other two amendments are in addition to Section 10, which provides for a restraining order by the Power Commission in cases where the Corporation does not carry out the terms of any orders made by the Commission. There are some rather ineffective penalties under the Act at the present time, and we feel we should have more authority, and so we are asking for that amendment.

The other one is providing the Commission with the same authority as the local Government Board has under The Public Utilities Companies Act, and that is by regulation to provide for a uniform method of accounting. We have found that we do run into some difficulty occasionally, where the Commission finds it necessary to request certain information from a utility — and some difficulty has been encountered in obtaining exactly what they want. We felt the Commission should have the same power as granted to the Local Government Board, and, therefore, we are asking for that amendment. With those very brief explanations, Mr. Speaker, I would move second reading of the Bill.

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

Bill No. 98 — An Act to amend The Natural Products Marketing Act.

Premier Douglas: — Mr. Speaker, this is a minor amendment to The Natural Products Marketing Act. As the Act now stands, it provides, when a vote is taken, that the producers may vote. What we are suggesting here is that only the producers affected by the plan may vote. For instance, at the present moment, an egg and poultry plan is being studied by the poultry producers of the province. In all probability, if they follow the pattern that has been followed in other provinces, the plan will only apply to people who have 25 birds or more; but under our Act, anybody would be allowed to vote in the plan, even though they had only one bird. So the idea is that the Attorney General's Department feels we should be on safer

ground if we clarified it, and say that it shall only apply to producers affected by the plan.

With that explanation I move second reading of this Bill.

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

SOUTH SASKATCHEWAN DAM

Second Reading of Bill No. 99 — An Act respecting the South Saskatchewan River Project.

Premier Douglas: — Mr. Speaker, this is a very important piece of legislation, and I, therefore, would like to take a few moments to discuss it. First of all, I should say that the Government was in somewhat of a dilemma in introducing this legislation as agreement has not yet been concluded with the Federal Government, mainly because the Ministers of the Federal Government have been extremely busy for the past few months, and we are not able, therefore, to sit down and discuss a great many clauses.

Some of the major items have been agreed on, but a great many other items which are important could not be negotiated. So we therefore had three choices. One was to sign an agreement, when it was ready, and then next year bring it to the Legislature and ask the Legislature to approve it. We did not like that idea because it meant presenting the Legislature with a fait accompli, after having committed them to millions of dollars, and the only alternative choice it had was to turn the Government out; but that still would not have helped the situation insofar as the commitments were concerned.

Another would have been to have waited until the agreement was ready, and then to have called a special session of the Legislature sometime this spring. I am hopeful that the agreement will be completed fairly soon, so that the work can begin this year. That did not seem too practical, and I know that for some of the members, particularly those who are school teachers and have to get substitutes, to bring them back in two or three weeks might be difficult. So, we have taken the third alternative which is to put into the Act as much as we have agreed upon, and to ask the Legislature to give us authority to sign an agreement with certain things maximum, but leaving to us the other details to work out as best we can. If the members feel that this legislation is not satisfactory and would prefer to leave it until the agreement is signed, and call the Legislature back, certainly the Government would be prepared to consider that. But this

seems to us the best way to deal with the matter: to place before the House what are the maximum expenditures to which we can be committed, and we will not be able to enter into any agreement beyond what is provided here. If we can work out agreements for less, then, of course, we would be very glad to do so.

Mr. Speaker, I don't want to take a long time and yet I think this matter is so important that it is probably wise to place on the record something of the background of what has been a very outstanding project in the minds of the people of Saskatchewan for a great many years. As a matter of fact, the idea of a dam on the South Saskatchewan River is first mentioned by Prof. H.Y. Hind of Toronto, in an article, "The Canadian Red River and the Assiniboine and Saskatchewan Expedition". He reports on that in this article which was written in 1859. So it may be that, if construction gets under way on the dam proper by next year, it will be exactly 100 years since this idea was first mooted. Prof. Hinds suggested, at that time, a dam 85 feet high near Elbow to divert water south-easterly and over the height of the land down to the Qu'Appelle Valley, to provide navigable water so that they could travel.

The idea of irrigation and water development on the prairies was first recognized as far back as 1890, when the Federal Government passed the Northwest Irrigation Act, under which the Federal Government accepted complete responsibility for encouraging irrigation and water conservation on the prairies. This came about because even in 1890 there was a good deal of drought beginning to manifest itself, and it was apparent in the semi-arid plateau of the western prairies that water was going to be a problem. The Dominion Reclamation Service was set up by the Dominion Government in 1919, to deal with the problem of recurring drought and to try and rectify the adverse effects of unwise land settlement policies which had been carried out until that time.

Hon. members will remember that natural resources were transferred back to the provinces in 1930. Up until that time the Federal Government was responsible for all matters affecting natural resources; but in 1930 they were transferred back to the provinces. This came at a bad time for Saskatchewan, because they were transferred back to complete provincial responsibility in this field, just at the beginning of a great crisis, and at a time when we had absolutely no irrigation in Saskatchewan, although in Alberta by that time, even back in 1930, they already had some 400,000 acres under irrigation.

Members will remember that, in 1935, the Government of that day passed the Prairie Farm Rehabilitation Act (this is a Federal agency, as members know), which has three general objectives: first, to provide better farm practice, that is, better tillage and land use, and reclamation by re-grassing and so on; then they had a water

conservation program — farm dug-outs, community stock-watering dams and small projects of that sort — and then large water conservation projects, such as the South Saskatchewan and the St. Mary's River project in southern Alberta. That latter project, as hon. members know, was completed by the P.F.R.A. completely at the cost of the P.F.R.A. Then the Canada River Development project — the Federal Government, when they bought that out, not only accepted fall responsibility for all the dam but even for about half the irrigation. Then in 1947 a new policy was adopted by the Federal Government under Order-in-Council P.C. 3398 which was passed June 19, 1947. This divided the responsibility, and left with the P.F.R.A., the responsibility of main dams and reservoirs, but left with the provinces the responsibility for irrigation distribution systems. If I may just quote from that Order-in-Councils, it said:

"That in the construction of an irrigation project hereunder, Canada will undertake and assume responsibility for the construction of the main reservoirs and any connecting canals, and will be responsible for the maintenance and operation of such work."

Then in 1947, the P.F.R.A. announced it was carrying on a two-year study into the South Saskatchewan Dam as a project, and in 1949 the Minister of Agriculture at that time said, page 811 of Hansard:

"Whenever it is determined that the project was to be proceeded with, we would build the dam. As applied to the South Saskatchewan, this means that once the Government undertakes to proceed with that project, the dam in the South Saskatchewan River, whatever it costs, will be built and paid for by the Dominion Government."

Then on page 822 of the same debate, it says:

"It is not the intention of the Government to charge rates for water, either for power purposes or for irrigation purposes, which will return part of the capital cost.

"... these charges will only be enough for the maintenance of the dam and the reservoir that holds the water. This subject has been discussed here, and agreed by all that there should only be a charge of that kind."

Then, in 1950, the P.F.R.A. submitted an interim report, and asked

the Provincial Government if we would undertake responsibility for the power use and development, so that we were asked to assume responsibility for irrigation ditches and for the power and development.

Correspondence has been tabled over the years — I've got pages of it here, and I don't think I need to go over it, outlining the correspondence which has taken place. I think I can summarize it. If anyone wants more detail I can deal with it in closing the debate, or I can deal with it in Committee of the Whole.

Our first acceptance of the proposal in this matter was on February 10, 1951, when I wrote to the Minister of Agriculture at that time, agreeing on this distribution of costs — the Federal Government would pay (as P.C. 2298 outlined) for the dam, the main reservoir and main work, and we were to pay the irrigation costs; and we had also agreed to pay for, and make use of, the power potentials. That meant that the Federal Government was going to pay for the dam, which at that time was estimated at \$68 million, and Saskatchewan was going to pay for the power and irrigation which was estimated at \$33 million.

As members know, the Hogg Commission reported in 1952. They said they found the project data incomplete, and the project not immediately justified. They estimated the cost for the main reservoir at \$164 million, including interest cost, engineering profit; and they said the dam would not justify itself in economic terms, and that it would have great social value. They did not report against it; they reported against proceeding with it immediately, and said that recurring drought or a period of large-scale unemployment would certainly make it worthwhile proceeding with at such a time.

From 1953 to 1955 we began the new series of negotiations. I will just recapitulate: the Federal Government up to this time was going to pay for the dam and the main works; we were going to pay for the irrigation and power. But in 1953, the Minister of Agriculture approached us and said that one of the problems was that, since this dam was going to provide water to generate power, the question was being raised that the Federal Government was subsidizing power, and, therefore, we ought to pay part of the cost of the dam, etc. Well, we objected, because in connection with the St. Mary's project in Alberta, and other similar projects, the Province had not been asked to contribute anything towards the dam. But it was argued that, since power was going to be generated in this project, the Federal Government would be accused of subsidizing power and, therefore, we must make some contribution.

In 1954, we agreed we would pay \$18 million, which our engineer estimated, even by the farthest stretch of the imagination, could be attributed to power. However, the Federal Government were not prepared to accept that and, in the fall of 1954, the Minister

of Agriculture met with the Saskatchewan Cabinet and said that the very best they could do would be for us to pay 25 per cent. The Federal Government would pay 75 per cent, and we would pay 25 per cent of the cost of the dam, and, of course, continue to pay all the irrigation costs and all the power costs. We agreed in principle, but we said that, since this was a very heavy commitment, we would want to discuss with the Federal Government the possibility of paying part of that 25 per cent in treasury bills. The Rt. Hon. Mr. Gardiner said, as far as he was concerned that was all right, but of course the final decision would have to lie with the Treasury Department. Well, by letter we had come this far. We were prepared to pay 25 per cent, and the Federal Government 75 per cent of the dam, and we would pay for the irrigation and power aspects of the project. However, all this came to naught, because the Prime Minister made his position very clear, speaking in the House of Commons on March 31, 1955, when he said:

"There has been no tentative agreement arrived at as a basis of distribution of costs, because there has not yet been any decision by the Federal Government that it could take the responsibility of recommending this project to Parliament as one that would be in the national interests of Canada generally."

He repeated that again on April 28, 1955, and as late as April 5, 1957, I received a letter from the Prime Minister saying:

"You are well aware, of course, that we have not yet decided against proceeding with the project, but we have not yet made an affirmative decision that it should be proceeded with."

So there's where we were.

When the present Government took office on June 21 last, I wrote to the Prime Minister asking him that we should open negotiations regarding the dam. When Her Majesty the Queen read the Speech from the Throne on October 14, it contained a clause which said the Federal Government was prepared to negotiate with the Saskatchewan Government regarding the construction of the dam.

It should be remembered, of course, that the Government of Mr. Diefenbaker had, in its election platform prior to June 10th last, a plank which said they were prepared to proceed with the construction of the South Saskatchewan dam within six months of taking office. There was no correspondence carried on other than our asking for discussion. After the statement appeared in the Speech from the

Throne that the Federal Government was willing to open negotiations. I wrote the Prime Minister again, and it was arranged that, when the Provincial Treasurer (Hon. Mr. Fines) and I were attending the Dominion Provincial Conference on 25th and 26th November, we should stay over after the Conference and meet with the Prime Minister. When we met with him and his colleagues, the Minister of Finance and Minister of Agriculture, and the Minister of Northern Affairs, they made it perfectly clear that they wanted to pick the case up where the previous government had dropped it — that is, that Saskatchewan should pay 25 per cent of the cost of the dam and the Federal Government 75 per cent, and that we should pay all the irrigation and all the power costs. We, of course, went back over our previous arguments and took our previous position (which I still think we were entitled to do), namely that for the St. Mary's project, the Milk River project and other large projects, the Federal Government had put up all the money for the dam. We pointed out that, even in the case of the Canada Life project, they put up money for the secondary works and about half the irrigation costs. We felt they still ought to pay the entire cost of the dam, which would still leave, as hon, members will see from the figures I just passed around, a very large sum of \$41 million for power, and another million for irrigation, which would have left the province with some \$86 million to pay, which is a very considerable sum for a province such as ours.

However, they were not prepared to do that. We put up another argument which I still think is valid, namely, that the question of 25 per cent of the dam was only raised in the first place because it was contended that the Federal Government could not subsidize the power, and in order not to be accused by other provinces of favouring Saskatchewan, the Federal Government felt this Province had to pay part of the dam. We argued that this was no longer valid; that they were already helping to subsidize power in the Maritime provinces, and that they had announced they were probably going to spend as much as \$300 million subsidizing power in British Columbia on the Columbia River, and therefore, the need for imposing this penalty on Saskatchewan to avoid subsidizing power and adhering to a principle, no longer existed. However, we were not successful in convincing them that they should pay all the cost of the dam. They insisted still that we should pay some 25 per cent. We then retreated to the secondary position. Of course, they argued that the reason they were asking us to pay 25 per cent was that we had agreed to 25 per cent in our discussions with the previous government, I pointed out to them we had agreed in the same way that my friend the Minister of Mineral Resources told me a fellow agreed — it was his story and not mine; but I told the Prime Minister, anyway, to see if it would impress him with his logic. The Minister told of the farmer who was on the stand in an insurance case, where the lawyer said to him, "Isn't it true that after the accident you said you weren't hurt?" He said, "That's right." The lawyer said,

"Well, that ends your case." The farmer said, "I think I should tell the judge why I agreed I wasn't hurt. I'm driving along with my team and a fellow comes running up behind me and smashed my wagon, and knocks me and my horses into the ditch. I'm lying there among these struggling horses, and the fellow gets out of his car and goes to the back, takes out his rifle, comes over and looks at one horse and shoots it, and looks at the other horse and shoots it. Then he comes over to me and says, 'you're not hurt, are you?" He said, "I agreed I wasn't hurt."

Well, I explained to the Prime Minister that is how we agreed. We did not agree because we wanted to. We agreed because we had not much choice in the matter, if we are ever going to get the South Saskatchewan dam. So, since we could not get them to agree to pay for all the dam, we took our secondary position that, if we had to agree to pay 25 per cent, there ought to be a ceiling. I think the hon. members can see why we asked for a ceiling. If the Federal Government proceeds to build this dam, and if we are going to pay a percentage of an unknown quantity, then of course we have to get a firm of consulting engineers to look into the designing and maybe by changing the design, or by altering the design in some particular way, we could save several million dollars. We would have to have a voice in letting all the contracts, because it might be that, by using cheaper material or using some different method of excavation, we could reduce the costs. We were most reluctant to sign 25 per cent of a blank cheque. This is exactly the position, of course, we had been in with the previous government. They had asked us to pay something and, remember, we had offered to pay a fixed sum of \$18 million, and later \$20 million, and always tried to avoid the percentage.

After long negotiations, the present government finally agreed that they would agree to a ceiling of \$25 million. As the members will notice from what I passed around, it is anticipated that the cost of the main reservoir will be \$96 million. I use the term 'main reservoir' rather than dam, because 'dam' is used to cover the whole thing and people get them mixed up — when one person says the dam is going to cost so much and another person says the dam is going to cost so much, the figures are different, but they are both right; one is talking about the whole project, and the other is talking about the main reservoir. I am talking about the main reservoir. The main reservoir is estimated at \$96 million, so 25 per cent of that would be \$24 million. We have agreed to a ceiling of \$25 million. That is, if it goes up to \$100 million, we will still be paying 25 per cent; but as costs go on and it is above \$100 million, then we will not pay any more than \$25 million.

The other position which we have taken is that of the matter of the penstocks. We have argued that while the penstocks are primarily for power generation, the design of the plan makes the

penstocks longer than they need to be for power purposes. Also that part of this power (I'll give the figures in a few moments) will be used to pump water for irrigation projects, and irrigation is a matter of supplying the water, and is a Federal responsibility. So they have agreed that on the cost of penstocks, they will pay 25 per cent and we will pay 75 per cent.

Members will see the division of costs to which we have tentatively agreed, pending the signing of an agreement, is that, on the main reservoir, the cost is estimated at \$96 million, of which the Provincial Government will be committed to \$24 million. If the costs go up, our commitment cannot go beyond \$25 million. The power plant, penstocks and transmission are broken down in a statement which I have given the hon. members, and amounts to some \$41 million. The irrigation canals, reservoirs, pumping plants, and distribution system, which, of course, will be over a fairly long period of time (as I shall explain in a few minutes) is estimated at some \$45 million. So the Federal costs will be some \$74 million for the main reservoir, assuming it costs only \$96 million — their commitment could be more if the reservoir costs more; and our commitments are \$110 million over the entire period of building the dam, installing the power plant, constructing the transmission line and all the irrigation which could ultimately be done. Of course, the irrigation project would be constructed over a long period of years. Some irrigation would have to be ready by the time the dam was completed — possibly 100,000 acres or 150,000 acres; but the whole irrigable area, which is estimated at about half a million acres, would probably be done in sections over the next 25 years.

The other position we have taken on this matter is the matter of the power plant and transmission lines. I pointed out a few moments ago the fact that the Federal Government had changed its policy, and the previous government had, too, just a few months before the election. Both governments have taken the position that the generation and distribution of power, particularly in underdeveloped areas of Canada, were, in part, a federal responsibility. In the Maritimes they financed or refinanced the Beachwood project, which was finished by lending the money at the standard rate of interest. In the case of the thermo plants which are to serve the Atlantic provinces, they have agreed to lend them the money for the steam generating plant, repayable over 30 years, and the transmission lines over 40 years. The Columbia River is estimated at \$300 million — I think that is still in the negotiation stage, and I have no information as to what the terms will be or what the arrangements are likely to be; but the point I want to make is that we are now in a new situation in terms of power. Last year, in April, when the previous government announced that they were going to give this assistance, which I have spoken of, to the Maritimes and British Columbia, I wrote the Prime Minister, and said surely, if assistance for generation and distribution of power is to

be made available to the Atlantic provinces and British Columbia, it ought to be available of all places in Saskatchewan where we have no hydro electric power. He wrote back and said, no, that this policy was not of general application, but would apply only to the Atlantic provinces and any arrangements they might make in British Columbia.

When the present government came in we submitted a brief setting forth our whole hydro electric potential, and set forth figures to show that, in Saskatchewan, we have the highest cost per capita in Canada of generating power; we have the highest cost per capita in Canada of distributing this power because of our sparse population, and we have the lowest consumption for power in Canada. If there is any area which needs hydro electric power, and needs some federal assistance, then Saskatchewan certainly is the province which has a just claim.

That submission is being studied by the Department of Northern Affairs, and we have asked that we be given some assistance, and that we will be certain of being given some assistance, in respect of the power developments related to the South Saskatchewan Dam. This does not mean this is the only thing we are asking for. There are other power developments which could take place on the Saskatchewan River, anywhere from Fort a la Corne right over to north of Nipawin where there are three or four very good sites. We have asked for assistance on those, but certainly on the South Saskatchewan we think we should have assistance, and we have asked for assistance.

Now, when I say 'assistance' we are not asking that they give us money as an outright gift or grant. We are simply saying that, with the tremendous development which must take place if Saskatchewan is to keep pace with industrial growth in Canada, and if we are to have a fair share of power potential in Canada, we should get money loaned to us at reasonable rates of interest repayable over a considerable period of time. We have not asked for what the Atlantic provinces got, namely, that the Federal Government should loan us all the money repayable over 30 to 40 years. We have asked only that, they loan us half the money repayable over a period of 20 years. We think that is a very reasonable request. We have not been able to get any reply on that due to the fact that the Federal Minister has been extremely busy, but I want to make it very clear that we consider this assistance on the power generation and distribution facilities a very important point, and we do not feel that merely agreeing to pay for 75 per cent of the cost of the main reservoir is enough. We feel that if the Federal Government is going to treat Saskatchewan at all on a par with its treatment of other provinces, then we are entitled to some assistance.

Mr. Speaker: — It being 12:30 o'clock, the House will recess until 2:30 p.m.

The House resumed at 2:30 o'clock.

Premier Douglas (Cont.): — Mr. Speaker, when we rose for lunch I was just recapitulating the figures which I had distributed to the members, and recapitulating that the main reservoir was to be \$96 million, the provincial share \$24 million and the federal share \$72 million, but the province limited to a maximum of \$25 million. I don't know whether I pointed out that half the province's share will be payable in cash each year for the work done the previous year, and the other half paid in treasury bills repayable over a period of 20 years. Also, of the power plant, penstocks and transmission costs, the Federal share will be \$2 million, and the provincial share \$41 million, and for the irrigation canals, reservoirs, pumping plant and distribution system, \$45 million, making a possible distribution in costs, as I pointed out, of \$74 million for the Federal Government, which of course will go higher if the main reservoir costs are more \$96 million. The provincial costs are \$110 million. That includes, of course, irrigation work which could possibly or conceivably be stretched over a period of 20 to 25 years.

I was also pointing out when we rose that we have been able to reach agreement on the matter of the sharing of the cost of the main reservoir; that is, 25 per cent for the province, or a maximum of \$25 million, half payable in cash and half of it payable by means of treasury bills. I was also pointing out that we consider of equal importance the reaching of some agreement on the matter of federal assistance for the construction of the power plant and transmission lines. We think this is important. We feel that, if the Federal Government refuses to give us any assistance by way of advancing money repayable over a period of years, this is discrimination against the province of Saskatchewan in view of the fact that, in the Atlantic provinces, the Federal Government advanced all the money for the power plant repayable over 30 years, and all the money for the transmission lines repayable over 40 years. All we have asked for is that the Federal Government should advance half the money repayable over a period of 20 years, so we think we have not been exorbitant in our request, and have not as yet reached any agreement on this point.

I would like to stress to the Legislature that we think this is an important point. It is tied up with the whole idea of the dam, and, more important, it is tied up with the Federal Government's Canadian development policy of helping to expand power generation and distribution in undeveloped areas. To deny this very modest request for assistance to Saskatchewan would be completely out of keeping with the assistance which is already being given in the Atlantic provinces, and which it is proposed to give in the province of British Columbia. Moreover, of course, may I point out that the construction of the St. Lawrence Seaway made it possible for the Ontario Hydro to increase its generating capacity, so much so that Mr. St. Laurent, when he was

Prime Minister, made the statement (which is recorded in Hansard) that the new Power generation made possible by the St. Lawrence Seaway was worth \$25 million a year to the people of Ontario.

I should like to sum up a few brief facts with reference to the project itself. First of all, this is what is known as a 'multiple dam' project. We have had a number of reports, as members know. Mr. Cass-Beggs made a report, some years ago. Reports have been prepared by experts called in from the United States by the P.F.R.A. and the Hogg Commission made a report. I think it is only fair to say, quite frankly, that I don't think the tremendous expenditure involved could be justified for any one of the purposes which the dam will fulfil. That is, in terms of the investment, it won't generate enough power to warrant the investment — we pour much less money and generate much more power from the Saskatchewan River at Fort a la Corne or at Nipawin. For irrigation alone it would not justify the expense. Or, as a source of water for industrial purposes and to meet the needs of some of the growing urban communities, it would not justify the expenses. However, when they are all taken together, then it does become, in our opinion, socially and economically feasible.

The main reservoir, which is estimated to cost \$96 million, will be an earth-filled dam at Copper Creek site, 18 miles upstream from Outlook. It will be 215 feet high, 8,000 feet wide and the crest elevation will be 1,845 feet, with a full supply of 1,845 feet. The spillway channels . . .

Mr. Loptson (Saltcoats): — Just a minute. I thought you said 8,000 feet wide. Is that at the top of the dam?

Premier Douglas: — Yes, that will be at the top.

Mr. Loptson: — About a mile and a half wide at the top.

Hon. Mr. Fines (Provincial Treasurer): — Would that not be halfway between the top and the bottom?

Premier Douglas: — I wouldn't think so. I think it would be at the top. I will give that information when we are in Committee of the Whole.

Mr. Loptson: — It is quite important.

Premier Douglas: — Yes. I haven't the plans here with me but I will have them when we go into Committee of the Whole. The member for Gravelbourg (Mr. Coderre), asked me a question which I would like to deal with at this time. The Federal Government will also

construct the auxiliary earth dam in the Qu'Appelle Valley, to control the flow down the Qu'Appelle stream. Then of course there will have to be extensive rail, highway and bridge reallocation. The reservoir will extend, it is estimated, some 140 miles upstream, and will have a total capacity of 8 million acre-feet, the shore-line will be about 400 to 500 miles. It is estimated that the main reservoir can be completed in less than 10 years. Some variation in rates in construction is possible, except at certain critical stages such as the closing of the dam. It would be two or three years before the maximum yearly construction would begin. It is estimated it would take at least one year to put in a spur line and set up a town and work site and get material on the location. That work is estimated to be done this year, the actual construction work to begin next year.

The present thinking calls for a diversion of the river by four 25-foot diameter tunnels. The construction of the power works must be closely geared to the dam construction program. It will have to be worked in very closely together, and would call for having a board, or an authority on which we will have representation, to plan construction so that the foundations for the power plant, penstocks and so on, can go on at the same time as construction of the dam. It is estimated that the main reservoir requires about 18 minion man hours — the average annual working force is about 1,800 men, the majority of whom will be experienced. The materials required will be about one million cubic yards of concrete — that is about six million bags, and over 50,000 tons of steel.

Mr. Danielson (Arm River): — May I ask the hon. Premier a question? When you are telling us what materials will be required, is this the estimate of the P.F.R.A., or is it the estimate of the Commission or Committee that was appointed to recheck on this whole thing?

Premier Douglas: — It is the estimate of the P.F.R.A.

Mr. McCarthy: — At what date?

Premier Douglas: — The last report was in 1954, but the amounts have not varied.

The three main aspects to the dam are that it is a multi-purpose dam. First of all, there is irrigation. The total irrigable acreage is estimated at about 500,000 acres. About a third of that can be irrigated by gravity flow; a further third will require pumping of 30 feet or less, and the other third, of course, will require pumping for a greater height than 30 feet. The soils and topography for the most part are found to be favourable, but there are some drainage problems which will have to be carefully investigated and handled. It is estimated that the number of farm units should

be more than doubled, once irrigation can be put in. The major use of the irrigated land in the initial stage will be for livestock, forages cereal crops which will be tied in with the surrounding non-irrigated land. But on the long-range program we hope and anticipate that it will lead to the development of specialized crops such as vegetables, sugar beets, and other things of that sort.

The value of farm products in the area which will be covered by this projects at the present time are estimated at about \$7 million . . .

Mr. Loptson: — Providing you can sell it.

Premier Douglas: — No. At the present time, the estimated production is about \$7 million.

Mr. Loptson: — That's if you can find a market for it.

Premier Douglas: — Yes, that's right. With specialized crops, it is anticipated that it could rise to a figure of \$50 million. This, of course, would mean a greater amount of income coming into this area and a larger number of people living there.

I think the House should know there will be difficulties encountered in the matter of land settlement, utilization problems in effecting a change to irrigation farming, and the whole problem of land settlement and so on, which will have to be gone into very carefully. These are matters which we are discussing with the P.F.R.A. in an effort to work out a policy that will be mutually acceptable to federal and provincial authorities.

The second aspect next to irrigation, of course, is the power aspect of the program. The estimated annual total output from the water available will be first for firm energy for general use, estimated at 325 million kilowatt hours. Energy which can be used for peak loading of 100 million kilowatt hours, making a possible 475 million kilowatt hours. River controls, it is estimated, will enhance the hydro potentials of downstream sites such as Fort a la Corne. One of these sites (as I think the members know from the discussions when we were in Crown Corporations Committee) will probably have to be developed even before the South Saskatchewan project is completed. The first stage of power installation will be to install 250,000 kilowatt capacity, starting with 100,000 and then adding 50,000 a year for the following three years. There will have to be interconnecting high voltage lines, 138 KV lines tying in the power plant at the dam with Saskatoon and Estevan and the rest of the power grid. The ultimate installation of possibly 500,000 kilowatt capacity will, of course, depend upon the amount of reserve water available.

There are some other benefits which I think should be

mentioned. There is, first of all, the municipal water supply. Many of our communities are growing to the place where water is becoming important. Anyone who has visited States such as Texas, Oklahoma and some of the midwestern States to the south of us, know that they are coming to the place where when they drill, they are almost disappointed when they get oil, water has become so important to their development. That time could come in Saskatchewan, where large volumes of water for urban communities, particularly for industrial purposes as well as for domestic use, could be most important.

The value of this dam is that it will maintain levels all the way down the Qu'Appelle system, including the Buffalo Pound Lake which is a source of water supply for Regina and Moose Jaw. It also makes it possible for a potential source of water which could be taken by pipeline to some other communities, and it would, of course, ensure the Qu'Appelle system of a potential water supply whenever that was required. Another value is that it will make possible flood control. Hon. members are familiar with the problem of flooding in the eastern part of the province, in the Carrot River-Delta region, and this would aid greatly not only in controlling floods, but in regulating water supply, if other power plants are established between Fort a la Corne and Nipawin. It would be useful, of course, in the matter of industries which can be located somewhere close to the large lake which will be formed as a result of the dam, and be of great value for that purpose. It will also, of course, be of value for recreational purposes.

The one thing that everyone is agreed on, even the Hogg Commission which was critical of some aspects of the project, is that when you create a lake 140 miles long, with a 500-mile shoreline in the centre of the Palliser Triangle, it is bound to have certain effects on that area, it banks up water into the coulees and gullies, making possible watering places for stock. It affects evaporation, which in turn sets up connection currents for precipitation, and makes it possible for trees to grow in that area, and trees help to hold up the ground water level. So one cannot measure this project. Those who have studied it have tried to measure it in economic terms. They have tried to show what it means in terms of irrigation, what it can mean in terms of power, what it can mean in terms of water supply for urban communities; but I think the overall social value of having this large body of water in the centre of the so-called Palliser Triangle is something which cannot be over-estimated.

Now, if I might just recapitulate. The commitments over the long period, probably 25 years, will be something in the neighbourhood of \$110 million. That is \$24 million (it cannot be more than \$25 million) for the dam; \$41 million for the power installation and transmission lines, and \$45 million for the secondary works and irrigation. The reason we wanted to have the members take time to

look at this rather than bring it back, next year, after an agreement was signed, is that we recognize this is a very heavy financial commitment for a province of our size to assume. I can assure the members that we will do everything possible, when we are carrying on our negotiations with the Federal Government, to get them to assume part of the responsibility in the form of helping us to finance some of these projects, particularly the power plant and the transmission line. There is no indication yet that they are prepared to assist in any way in the secondary works and the irrigation system. That is certainly something we will want to discuss with them. Particularly if they are going to embark upon a public works project across Canada to deal with the problem of unemployment, this is the kind of thing we think they could well give some assistance on.

I think all I need to say in closing is that this is a very ambitious undertaking for a province of less than one million people to meet. On the other hand, I think that it can become a very important turning point in our economic history. This will give us, for the first time in the centre of the settled area of the province, hydro electric power, not only firm power, but peaking power, which is very important. It will make it possible to begin by irrigating 100,000 to 150,000 acres of land, working up eventually over a period of years to 500,000 acres.

Mr. Loptson: — Would the hon. Premier permit a question? Have you any information on how much land is going to be flooded as a result of this work, land that is now being cultivated? How many acres are going to be flooded?

Premier Douglas: — Well, I couldn't break it down, but I can give my hon. friend some idea of the area but how much of that is now irrigated is relatively small. It will mainly be in the river basin.

Mr. Loptson: — I was given to understand by a very good authority that there was some 150,000 acres of good arable land that were going to be flooded, and we were hoping to irrigate 500,000 acres; or in other words, we were exchanging 150,000 acres of good land for the possibility of irrigating 500,000 acres of less valuable land.

Premier Douglas: — I don't think that is correct, but I will be glad, in Committee of the Whole when I have the charts before me, to go into that point.

I was saying this is a very ambitious undertaking, but I think it is worth accepting the challenge. I think this can be an important turning point in our economic history in terms of power,

in terms of irrigation, in terms of a large body of water for urban communities, for industrial purposes and for recreation, and for the social value which it will have in dealing with recurring droughts, particularly in the Palliser Triangle.

I am most hopeful that we will get an agreement signed in the course of the next month or two. I am hopeful that work can start this summer in putting in the spur lines, in setting up the site and establishing the workers' houses and things which will have to be done so that actual construction can begin next year. I do feel it is important that the House should be fully aware of the commitments which we are likely to be making within the next few weeks, and I feel that we ought not to enter into such commitments until the House has indicated approval in the form of passing this Bill.

Therefore, Mr. Speaker, I would move second reading of this Bill — An Act Respecting the South Saskatchewan River Project.

Mr. Danielson: — Mr. Speaker, could I ask a question? It is a very simple question, is there anything in this \$184 million which is allocated for buying up the land, compensation for land?

Premier Douglas: — Yes.

Mr. L.N. Nicholson (Nipawin): — Mr. Speaker, I have a question to ask the hon. Premier. You quoted \$110 million, and you said that it could be another million dollars. That is, it could cost us \$25 million instead of \$24 million. Your commitment will not be over \$111 million in that case, is that right? That is \$110 million plus an extra \$1 million on the 25 per cent deal, is that it?

Premier Douglas: — That is correct. \$25 million is the ceiling. Now, of course, we must remember that all the other figures are estimates. The \$25 million is fixed as far as the main reservoir is concerned, No one can guarantee, at this stage, that a power plant or high voltage transmission lines and so on, when they are constructed, will conform exactly to these figures. These are pretty generous; we have tried to use maximum figures. I it is the same when you come to build an irrigation system. The prices could go up and these figures could be higher. The whole trend in recent years has been that earth moving costs less. There is nothing fixed about these other prices — only the dam.

Mr. Nicholson: — But in any case, we could not possibly be committed to a greater figure than that, before the House will sit again.

Mr. Coderre (Gravelbourg): — Are architects' sketches available

giving, say, a bird's-eye view of the area in regard to the dam, in regard to the power plant, irrigation and so forth? Will they be available?

Mr. Speaker: — It seems to me that some of these questions might well be asked in Committee.

Premier Douglas: — If the members wish to ask questions I might try to answer them in closing the debate, Mr. Speaker.

Mr. Loptson: — Mr. Speaker, there are certain aspects about this expenditure — I don't know whether it is necessary to take them up on second reading or do it in Committee. One of the things I had in mind was the urgency of the project, and also the urgency as far as irrigation is concerned, and urgency as far as development of the power is concerned. It appears to me that, according to a reply to a question in Crown Corporations, we are not going to be requiring power for some years to come. Another thing is that the extension of the development of the present plants we have at Estevan and Saskatoon would indicate that it is very much cheaper to increase the output of power at those plants than it would be to develop this hydro. Secondly, I would suggest that there is a possibility that we might save ourselves \$25 million by waiting another four years. We might discuss these things in Committee, if it is permissible.

Mr. A.H. McDonald (Leader of Official Opposition): — Mr. Speaker, there are just one or two things I would like to say at this time. It is true that it is a tremendous commitment for the province of Saskatchewan to make — some \$110 million; and I had hoped, through time, that the Government of Canada would see fit to pay at least the total cost of the dam itself. I think it is unfair to ask the province of Saskatchewan to pay 25 per cent of the cost of this dam, in addition to that, the Government of Canada have now made commitments to help other parts of Canada in developing power, and I think that Saskatchewan should have the same treatment that other parts of Canada are enjoying.

I am one of those who believe this dam could probably mean as much (or more) to the province of Saskatchewan as anything we have built or been able to accomplish in the past. I believe that, before we can attract industry into our province in any quantity, it is necessary to create a guaranteed supply of water in Saskatchewan, something that we haven't got, today; and that is something the dam will do for us. By making that change in our province it will not only benefit the province of Saskatchewan, it will benefit the entire country and there again I believe, for that reason, that the Government of Canada should be prepared to pay the total cost of the dam, and they should be prepared to pay, or at least loan us, part of the money to

carry out the other works so far as the power plant and the irrigation is concerned.

It is true that in Alberta, for instance, the Federal Government have done a lot of work and spent a lot of money on irrigation, and I see no difference between Alberta and Saskatchewan and I cannot, for the life of me, see why the Government of Canada should not pay part of the irrigation costs here in Saskatchewan, because, there again, it undoubtedly will affect some of the expenditures the Government of Canada have had to make in Saskatchewan, and we hope that if and when the dam is built, we may not be faced with those expenditures in the future. I realize that this \$110 million is a lot of money to ask less than a million people to put up, but I think it is in the interests not only of Saskatchewan people but in the interest of all of Canada, that the dam should be proceeded with at as early a date as possible. I hope that, before an agreement is signed, the Government of Canada will reconsider the sharing of the cost of this project, so that more of the cost can be carried by all of the people of Canada rather than just the people of Saskatchewan.

Mr. Speaker: — It is my duty to inform the Assembly that the mover of the motion is about to close the debate. If anyone wishes to speak they must do so now.

Premier Douglas (closing): — Mr. Speaker, I want to thank the members who have spoken, for their support of this Bill.

First of all, to the member for Gravelbourg (Mr. Coderre) who asked if sketches would be available; I doubt if we will have sketches made that I could pass around; I will have some of some of the reports here and, when we are in Committee of the Whole, send them across and the members can look at them. But I am afraid we couldn't have copies made for all the members.

Replying to the member for Saltcoats who wants to know whether there is any urgency in the matter of going ahead with this dam: first of all, with reference to irrigation there is no great urgency in the sense that we have to have irrigation immediately; but the fact is that we have lost a lot of time now. As I pointed out, in 1930 when the Federal Government turned over the natural resources to the provinces, Alberta already had 400,000 acres (and that is 28 years ago) under irrigation. We hadn't any, and if we get into another drought cycle, which is always possible in this western country, certainly I think there should be no delay. It seems to me that building a dam when there isn't any water is not a particularly propitious or far-sighted venture. We ought to be getting at the dam immediately so that we can conserve water while there is water against a time when there may be a lack of water.

With reference to power, I am not sure where my friend got his information, but . . .

Mr. Loptson: — The Power Commission.

Premier Douglas: — . . . we will need power. As a matter of fact, it is estimated the South Saskatchewan dam will take anywhere from six to ten years, and, as I said just a few moments ago and as I think Mr. Cass-Beggs said through the Minister, when we were in Crown Corporations Committee, it will actually be necessary to put in another hydro electric power project before this is completed. We cannot wait for this. It will be necessary, somewhere between Fort a la Corne and Nipawin, to put in a project to give us power in that north country. But prior to this, at the rate at which our power consumption is going up, the South Saskatchewan project will meet our increased requirements for about one or two years, and so we will be back to needing power again; so it is not going to be a solution to all our power problems, it is only going to be one source of supply. Even with the Estevan and Saskatoon plants running at full capacity and with a plant at Squaw Creek or Fort a la Corne or Nipawin, we will still be . . .

Mr. Loptson: — I would just like to inform the Premier, the information I got was that you have already three times as much power as peak load requirements, and you have the possibility of doubling that output by additions at Estevan and Saskatoon, which would indicate that you could increase your power development very much cheaper than by the hydro development.

Premier Douglas: — Well, I don't want to get into an argument about it now. I will bring the figures when the Bill is in Committee of the Whole. I don't think we would double it at all, and our estimate is that this will pay for itself on the basis of these figures, an estimated 4 mills per kwt hours, and power at Estevan costs about 3 cents. So we do need this power. We have to recognize there is a limit to the expansion of power at Estevan because of the matter of water, so that this becomes very important by about 1964 or 1965.

My hon. friend suggests that we might as well postpone this for another four years, I would suggest both with reference to the province of Saskatchewan and the Liberal party that "Hope deferred maketh the heart sick." I would not want to chase that mirage for another four years.

Mr. Loptson: — The present Government might change its mind, too.

Premier Douglas: — I want to thank the Leader of the Official Opposition (Mr. McDonald) for what he said, because

April 1, 1958

I think this strengthens our hand in negotiations. I agree with him it is unfair to ask the province of Saskatchewan to pay 25 per cent of the cost of the main reservoir. We have felt, through the years, that that ought to be paid entirely by the Federal Government, as it did in the case of the province of Alberta. There is no use blinking at the facts, however, I don't want to throw political controversy into this but the fact is that the previous Federal government insisted on the 25 per cent without even a ceiling and without agreeing that half of it could be paid by treasury bills. Consequently, when we met with the present Government they said, "You make concessions on the ceiling and we will make concessions about paying part of it from treasury bills; but we cannot make any concession on the 25 per cent, because that is what the previous government asked, and we must take it that that is a reasonable proposition."

I quite agree with the Leader of the Official Opposition. I can see no reason why we should pay part of the main reservoir. This dam will be of benefit to all of Canada, if it is true that we can increase the agricultural productivity in that area from \$7 million to \$50 million, we can see what this means to railroad traffic, what it means in the taxes that are paid by the people in that area, what it will mean to have anywhere from a quarter of a million to half a million acres of irrigated land producing feed and seed in the event of a drought. When you realize that the Federal and Provincial Governments poured into this area 1,200 million during the 'thirties for feed and seed and things of that sort, if we could be sure that here we have a feed bank and a seed bank right in the centre of the Palliser Triangle that would guarantee us in times of drought that we would always have feed and seed that in itself is an excellent piece of insurance. I am sure all will agree that this is of great benefit to the people of Canada and I think an investment which the people of Canada, as a whole, ought to make. I can compare it to the St. Lawrence Seaway and other great projects into which they have poured hundreds of millions of dollars, and it seems to me that this is not too much to ask.

I also agree that we should get the same treatment in the matter of power as is being granted to other provinces — the Maritimes, British Columbia and Quebec and Ontario through the St. Lawrence Seaway. We will certainly try to get that, and I must say, in all fairness, the Prime Minister indicated that he thinks some form of assistance will be forthcoming; but they hadn't had time to study our brief and they hadn't had time to sit down and negotiate any agreement. I am hoping we will get what we ask for, namely, one-half of the cost of the power plant and transmission lines repayable over 20 years, but if we cannot get that we will certainly get the beat that we can.

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

The Assembly resumed from Wednesday, March 19, the adjourned debate on the proposed motion of the Hon. Mr. Walker:

That Bill No. 84 — An Act to amend The Land Titles Act — be now read the second time.

Mrs. Mary J. Batten (Humboldt): — Mr. Speaker, I understand that the hon. Attorney General has advised the House that, in compliance with the request of the Law Society, he is withdrawing section 19 and sections 52 to 55 of this Bill. Therefore, it won't be necessary for me to discuss changes of principle as they were effected by those particular sections.

I do want to say just a few words about the other portions of the Bill. There was no doubt that those were, in my opinion, the most obnoxious sections, because they seemed to be directly taking away rights that most people felt that the people who owned, or had a title to, land possessed.

However, these other changes that are proposed to be made in our Torrens system, or at least in the procedure connected with our Torrens system, are fairly substantial; and if I had any influence at all with the hon. Attorney General, I would certainly urge him most strongly to withdraw the entire Bill, together with those other sections, and put it before the House in the next session, for this very reason, Mr. Speaker. Everybody knows the procedure in our Land Titles Offices today, not only the legal profession that have to do with titles, but every other person who owns land, and almost all the people in Saskatchewan do own land, whether it be a small lot or many sections of land. They are very interested in the procedure of registering titles. Many of our people came from foreign lands where they were serfs (or very close to it), and to them a title is a very, very precious possession.

One of the first things that any lawyer or real-estate agent tells you when he gives you a duplicate Certificate of Title is to take very good care of it and make sure that you don't lose it, and keep it in a safety deposit box and so on. There is an air of preciousness attached to it that, I think, has had quite an influence in the thinking of our people; and I think the way they were filed, the way they were kept in books, is all part of this. Not that there haven't been any changes made, contrary to what the hon. Attorney General seemed to indicate. Throughout the years since the Torrens system was established in Saskatchewan, many changes have been made, but they have been made very gradually, and they were minor matters of procedure to which people became accustomed.

I dislike, as much as anybody else, to lift heavy books and have to look through titles, but, at the same time, when

April 1, 1958

the original title is in a bound, large volume there is this guarantee that the original title itself is not going to be lost, even though the duplicate Certificate of Title may be; and I think anybody who has had experience in making searches at the land Titles Office has seen how easy it is to inadvertently slip in among your own documents one of the documents that has been given you to search — not the Title, because that is in a bound book, but mortgages and transfers and other documents of that nature. I know that I, myself, have walked away with these documents quite inadvertently and, of course, returned them the minute I realized I had them, or the minute I was informed by the Land Titles Office that I had them. Where there are many searches done, especially in the case of historical search, these things can actually be misplaced, and I think it is a very great credit to the staff we have had in our Land Titles offices that they have kept such wonderful track of all the documents as they have.

I realize as much as anybody else the amount of space that is necessary for these documents, but I am very much afraid of any destruction of documents. I think there should be some procedure whereby absolutely dead documents, such as letters transmitting titles or transfers, could be destroyed; but I would certainly object very strongly (and I think everybody else would object with me) to the photographing of things like mortgages and destroying the original, no matter how old they are, because from the photograph you cannot prove forgery, you cannot recognize your own handwriting. I don't know how good the photography introduced by the Attorney General into this Act is, but I know that in the case of photostatic copies of documents in the United States, in estates, we very frequently have a great deal of difficulty making out exactly what the thing says. The original document is the actual writing of the parties involved. It is their handwriting, and it is very important, in case of a lawsuit, to have those.

I don't imagine there will be any great burning of documents or anything of that kind, but once you start whittling away at a system there is always that danger. The greatest danger, I think, is that merely for a desire to proceed and do something new and do something efficient, we might destroy something that has proved itself very valuable and something that has given a sense of security to a great many people during the years. It is rather amazing that the Attorney General first of all compliments our system and says how very good it is. I think I would like to quote him here; at least as quoted in the press report. He said:

"The title system used here originated in Australia and is the best in the world. Saskatchewan was blessed with the system before settlement of the province, but has made no overhaul of procedures since."

And then he went on to say that "streamlining of the Land Titles

administration is now necessary, because there have been no changes since the 1890's and the present procedures are out of date."

I would like to challenge that, because there have been many changes made in the procedures in the Land Titles Offices during the years — none of them very startling, none of them very radical but they have been made, and they have kept up pretty well with the times. I don't think there has been anything so bad in the Land Titles system as we have it now that requires anything very drastic; and if it should, Mr. Speaker, then I think that this Bill is one of those Bills that should have been referred perhaps to a special Committee that could have studied this thing. It has come as a complete surprise to the legal profession. Apparently the people in the Land Titles knew about it, but certainly they did not feel free to discuss it with anybody. I know that those of us who are very frequent visitors at the Land Titles offices and speak with various registrars and the Master of Titles have never heard (at least it has never been mentioned to me or anyone else that I know) that these changes were being proposed by the Attorney General.

The Bill doesn't look too complicated, and I imagine there are safeguards, but nobody has really had an opportunity to study them in operation, and if there is a pilot plan, then I see no reason why that project couldn't be studied by the people involved and by a Committee of this Legislature before anything very drastic is done. I will admit, too, that I am very much afraid this is going to mean more centralization. I appreciate the fact that this is going to take very little space, but I would hate to have the time come about, no matter what the Attorney General thinks about the efficiency of searches by mail, when those would be the only kind of searches of land titles that we would be able to make. If everything is moved into Regina and our Land Titles Offices are closed throughout the province, it might make it more efficient here; but in the long run it is going to hurt the people out in the country, and anything that is going to centralize to the detriment of those people who are not in the Government offices or in the big corporations right here in Regina or in Saskatoon, I will object to it, and I will continue to object to it, because I think that this is a rural province and our emphasis should be on spreading these services of the Attorney-General's Department as far out as we can, bringing them as close as we can to the people.

I doubt whether it is quite fair of the Attorney General to come out and say that all these changes have been approved by the — I think he said Registrars or the personnel of the Land Titles offices. This is what he said:

"It has been demonstrated not only to my satisfaction, but also to the satisfaction of Land Titles officers who are now unanimous that the new system gives amazing gains in efficiency."

April 1, 1958

Now I would very much like an opportunity (and I am sure the other members of this Legislature would have liked to have had the opportunity to speak to some of these Registrars, to have them before a Committee, and to ask them just how these changes are actually going to affect the people who are going to come in to make searches.

We had very much the same thing, only not anywhere near as drastic, taking place under The Conditional Sales Act, and I didn't object to it in principle. I thought centralization of registration of chattel mortgages and liens was rather a good thing and it was, on paper; but when you came down to practice it has not proved to be a good thing so far as I am concerned. I wish very much now that, although I think we should have central registration of vehicles and things like that, I wish we had retained our local registration offices, because in so many cases not only I, but I think every other rural lawyer, has found that when people are buying furniture or machinery, when you tell them you have to search in Regina and you have to put in a long distance phone call or write a letter, they object to the expense, and even though you warn them, they say, "Oh well, I know John; he is a good fellow, and if you have to go that far, we won't bother." If it could be done at the local court house, the search would be made and many very complicated law suits would have been prevented.

I think the Attorney General is quite cognizant of the fact that it has brought us a lot of trouble just because people refuse to go to the expense of making that search in Regina. It is not the fault of the system particularly; but the thing I think we have to be very conscious of is that we are not operating with ciphers or inanimate objects. We are dealing with people. We are dealing with certain habits that these people have, and we have to give them the kind of service they are attached to, that they understand and that they feel secure with.

For that reason I am not at all sure I approve of these changes in The Land Titles Act. I am, not sure that I understand, indeed I am positive I don't know, implications of these changes. I would certainly have liked to have the opportunity, and I am sure other members would have liked to have had the opportunity, to study the Act and study the actual working of the changes before having to vote on the principle of the Bill, which principle is not too evident from these small changes. I think actually the Registrars, the people dealing in the Land Titles offices, could have offered us great assistance in making up our minds about this thing. Because we haven't had the opportunity of consulting them, I feel that we are going to be rather remiss in our duties to our constituencies when we do vote in favour of this Bill without really knowing all the implications of it. Perhaps in Committee we can get a lot more information from the Attorney General on it.

I do want to congratulate the Attorney General, and to thank him, for withdrawing the particularly obnoxious sections, or at least the particularly controversial sections, because I think it will make for better law if those things could be ironed out beforehand. There were many inconsistencies in those sections that I think might be threshed out, and we will have a better Act for the delay. I repeat, Mr. Speaker, that I would appreciate it very much it the entire Act could have been held over until the next Session and we would have had an opportunity to go into these changes so we could really understand them.

(The motion for second reading was agreed to, on division, by 31 votes against 11, and the Bill referred to a Committee of the Whole at the next sitting.)

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