

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session – Thirteenth Legislature
8th Day

Monday, February 23, 1959

The House met at 2:30 o'clock p.m.

DEBATE ON ADDRESS-IN-REPLY

The Assembly resumed from Friday, February 20, 1959, the adjourned debate on the proposed motion of Mr. Brown (Bengough) for the Address-in-Reply, and the proposed amendment thereto by Mr. McDonald:

Mrs. Cooper (Regina City): - Mr. Speaker, when I adjourned the debate on Friday last, I had mentioned some of the things which I welcomed very warmly in the Speech from the Throne, and which I am sure are measures that will receive a warm welcome by the people of this province. I mentioned especially the fact that again this year, there are to be substantial increases in school grants and continued help in financing schools' capital expenditure. I spoke of the opening of the new technical institute at Moose Jaw, which I think is a great step forward. I mentioned the scholarship program announced which, in addition to the loan fund that we already have, should mean that no young person in Saskatchewan who has the ability and the desire for a university education, need be denied that education, because of his inability to pay. I feel this is something we here in Saskatchewan should be very proud of. I also mentioned the fact that I welcomed assistance to urban municipalities in the provision of low-cost housing which, I believe, is the greatest need in the housing field.

Today, I want to talk of some different aspects of the Speech from the Throne. I think that no one who tries to be even the least bit objective could listen to that Speech from the Throne or to the address of the hon. Premier, without being impressed, and very much encouraged, by the great progress that is taking place in the province of Saskatchewan in the development of our natural resources, in increased industrial activity, and in the general diversification of our economy. It has been pointed out here that two-thirds of our wealth now comes from non-agricultural sources; that mineral production has reached almost the \$200 million mark; that construction in the province of Saskatchewan is at its highest peak, and that production from manufacturing has reached \$326 million in 1958.

Certainly this great progress and the influx of industry in our province are something which is most encouraging – that is, to everybody except the members sitting on your left, Mr. Speaker. I know that people of Regina welcome with open arms the fact that we are to have a new \$15 million steel rolling mill in Regina, and also there is a second steel plant to be built – Dominion Bridge. These are very welcome announcements. Recently I had the privilege of attending opening ceremonies for the new Martin Paper

Company, which again is going to be a major industry in this province. All you need to do, if you wish to see what is going on in the province, is to take a little ride around Regina, and you will see the kind of development that is taking place.

I have tried for some time to analyze the reaction of the Liberals in this province toward these rapid developments that are taking place in the province of Saskatchewan. I have not tried too hard yet to analyze the reaction of the Leader of the Conservatives, because he appears merely to be parroting the kind of statements that we have been getting for quite some time from the Liberal Opposition. I have decided that our friends in the Opposition seem to take it as sort of a personal affront that Saskatchewan is going ahead so rapidly under a C.C.F. Government. After all, industry did by-pass Saskatchewan when they were in office; so why is it coming now? They said it wouldn't happen under a C.C.F. Government. They said we would "scare industry away". There wasn't too much industry to scare away when this Government got into office, but they said we would scare industry away, and that our natural resources development would be at a standstill. So, having said that, they close their eyes and their ears, and they pretend that nothing is happening. They keep right on saying that industry and mineral resources development is by-passing Saskatchewan and that we are in a period of stagnation. That's their story, Mr. Speaker. No matter what happens, that's their story and they'll stick to it. It does remind me very much of a little plaster of paris ornament we had in our house when I was a youngster. It was the three monkeys – one with its hand over its eyes, and one with its hands over its ears, and one with its hands over its mouth, and underneath the inscription: "See no evil; hear no evil; speak no evil". Well, for the Liberals it is: "See no industry; hear no industry; speak not of industry while the C.C.F. Government is in power."

However, Mr. Speaker, the people of the province are not so blind; they can see what is going on around them, and, of course, not even their friends agree with them. I had intended quoting a couple of editorials from 'The Leader-Post', but the Premier has already quoted them. I will just make reference to one little paragraph here, where they have been talking about the new multi-million dollar industries that have come into the province, and then go ahead and talk about the smaller industries. They say:

"Industrial development usually follows a cycle of small industries being established, with a subsequent growth of those that flourish into substantial undertakings. The fact that more and more small enterprises are becoming established in the province is an indication that this cycle is becoming well established in Saskatchewan, and that over the years it will contribute importantly to the province's industrial development."

Just a word from another one, which may surprise some of the people from the Opposition, this being from 'The Leader-Post'. They say:

"If the Government is entitled to any credit for this happy advancement" . . . (they are not too fond of giving us credit) "and for the province's high credit standing, it is because it has maintained a reasonably favourable climate for private enterprise."

I would like, this afternoon, to try to outline some of the reasons why industry is coming into Saskatchewan, and why we have this stepped-up development of our natural resources, because these things did not just happen out of a clear, blue sky. They didn't just fall into our laps. The natural resources of the province of Saskatchewan have been here a long time. They are as old as the province itself, and I guess, as a matter of fact, a good deal older. So why was it that it was only after a C.C.F. Government got into power that we saw any substantial development? During the regime of Liberal and Conservatives Governments – that is before 1945 – the province of Alberta was well away with oil development, and the city of Edmonton was rapidly becoming an industrial city. Looking into Manitoba, we find that Winnipeg was already an important industrial and distributing centre. Now, why was Saskatchewan left out? The population of Alberta during these years, and that of British Columbia and Manitoba, was going up, but the population of Saskatchewan was going down.

Our friends in the Opposition have a lot to say about population, and they talk so much about population that some very exaggerated ideas get abroad. I went to visit a friend of mine in the hospital not long ago – a friend who is a good C.C.F. supporter; and when I came in she said, "My, I'm glad to see you. I was awfully worried. I had a visit from a friend of mine who is a good Liberal, and she said the population of Saskatchewan went down a half-million, last year". Now, Mr. Speaker, that would be serious if it were true. We couldn't afford more than two years like that (could we?) in the province of Saskatchewan.

However, I wish to talk a little bit about population, because our friends in the Opposition just give us part of the population picture. I would like to take population from 1935 to 1945, during the years the Liberal Government was in power. Let's take a look at the figures: 1935, population of Saskatchewan – 930,000; 1940, population – 900,000; 1945, population – 833,000, a drop of almost 100,000 over a period of 10 years. In 1942 alone, the population dropped 48,000, and in 1943, the drop was 10,000. That is a drop of 58,000 in those two years. Now let's take the same 10 years in some other provinces – that is, years when Saskatchewan's population dropped almost 100,00 and years when the Liberal Government was in power. In the same 10 years that our population dropped almost 100,000, the population in British Columbia rose from 736,000 to 949,000, a rise of 215,000 and British Columbia had well-developed industry. You may say British Columbia is not a fair comparison, and I agree, because it does have a different type of economy. But let us look at Alberta. During those years when a Liberal Government was in power in

Saskatchewan, when our population dropped by almost 100,000, the population in Alberta went up by a figure of 45,000, and they already were laying foundations and had well-laid foundations before 1945, for industrial expansion and were developing oil and natural gas. Let us look at the province of Manitoba in those same 10 years when we had a Liberal Government in Saskatchewan, and our population went down by almost 100,000 – Manitoba's population went up by 17,000.

Let's look a little further ahead. During the first five years of the C.C.F. Government, this population loss has stopped, and since that time we have gained over 60,000 people, and the projected figures for 1959 are that our population will reach 900,000 and, if it does, that will be the first time we have been up to 90,000 since the year 1940.

Mr. Speaker, you may argue that during those years 1942 and 1943, when our population took its biggest drop, thousands of Saskatchewan people went east, or went to British Columbia, to work in war industry, and that is true, and they never returned. But why did we not have a few of these war industries established in the province of Saskatchewan? There was a Liberal Government at Ottawa; there was a Liberal Government in Saskatchewan. Certainly we were strategically located for war industry. There was no place in Canada that would be less vulnerable to attack, and if we had had some of these war industries established then, there would have been plants here that could have readily been converted to peace-time industry, and we might have got a little earlier start in industrial expansion. Mr. Speaker, the Liberals, due to their laissez-faire philosophy, seem to have taken it for granted that Saskatchewan was purely an agricultural province or almost so, and that it would remain so, and that our future economic prosperity was doomed always to rise and fall with the fortunes of agriculture.

When the C.C.F. Government came into power they had other ideas. They were convinced of the great potential wealth in our northern area, so immediately they took steps to try to develop the north. They sent prospectors into the north and they staked those prospectors. They set up Government Airways and a radio communication service in the north to assist those people who were wishing to develop our resources up there. Then they took a look at the forest industry, and they discovered there was no long-range program for protecting our forests; that they were getting seriously depleted. Immediately, as a result of the forest inventory, they changed the policy. They started a vigorous re-forestation program, and they set up the Timber Board. Then they looked at the problems of the fishing industry. It is always a marginal industry, even at the best; and they got busy and built fish filleting plants in the north and cold-storage lockers, and they set up the Fish Marketing Service. For the trappers they started the Fur Marketing Service which certainly has been of great value to the trappers of this province. They set up Government Trading Stores to protect the people in the northern areas against exploitation, and, of course, now we understand that the Government Trading and the Fish Marketing Service are going to become co-operative, and be run and managed as soon as possible by the people themselves.

Also for the northern people themselves, welfare conditions were improved, and schools were set up and teacherages built, so that many little children in the north now have the opportunity for an education – something they never had before, and an education that will enable them to more easily stand on their own feet when they get in their older years.

Then the Government completed an excellent road to Lac la Ronge, and they have been rapidly building roads in northern areas. You will have noticed in the Speech from the Throne that the Government has built 2,500 miles of road in the forest areas of the province, and that we hope to exceed the 20 miles of road that we built last year. During all these years the Government has energetically been busy providing basic information on our visible resources. We have greatly increased our skilled personnel in the Department of Mineral Resources. We now employ 24 geologists, 21 engineers and two geophysicists. You may remember the opening of the new geological laboratory, last fall, a laboratory that is there for the purpose of storing and examining cores and samples. This kind of information is very essential and very helpful to any person wishing to develop our mineral resources.

We must also mention the Saskatchewan Research Council that was set up by this Government in 1947. The member from Kerrobert-Kindersley (Mr. Johnson) spoke of some of the interesting experiments that are going on in this Researching Council building. I had the privilege of attending the opening ceremonies of the Research Council building, and was much impressed with the kind of work that is going on there. Already there has been much of value done in this research building, and I am sure it is going to make an exceedingly important contribution to agriculture, to building trades, to mining industries, and, as stated in the Speech from the Throne, they are now going to take on the project of examining the water resources.

All of these things are very necessary steps to active development of industry and mineral production in this province. The important thing about it is not only were those steps necessary, but they were steps taken by your C.C.F. Government without the least possible delay.

Then again, I should mention our sodium sulphate industry, and again this was due to long-range planning. The C.C.F. Government realized this great deposit of sodium sulphate was very important, and could make a great contribution to the economy of Saskatchewan. So they set up the plant at Chaplin – a Crown Corporation owned by the people of Saskatchewan, which last summer celebrated its 10th anniversary. I think it rather remarkable that, during these 10 years, the sodium sulphate plant has had an average of \$100,000 a year profit. After all deductions are taken off – interest, depreciations, royalties, and so on – there has been an average profit of \$100,000 a year. Some 400,000 has been paid to the Government in royalties, and there has been \$2 million paid out in wages to employees. This is an example of good planning.

Again I must speak of the Industrial Development Board. I think the members of this Legislature can remember how severely we were criticized by the Opposition when this Board was set up. It was a waste of money! But I think in this province today everyone will see that the setting up of the Industrial Development Board has paid very rich dividends. The research they have done in what types of industries will flourish in this province has been a source of providing basic information to industries that are interested in locating here. They have not only done this, but they have been most energetic in contacting firms and trying to persuade them to locate here, and they have had considerable success in their endeavours. In addition, the Government has been financially aiding some of these industries to get started, and to get on their feet.

You cannot talk about steps that have been taken to encourage industry without mentioning the Saskatchewan Power Corporation. One thing that has been pointed out before that is absolutely essential before any industry of any amount, anyway, is going to locate in this province, is the availability of abundance of power at reasonable rates. Certainly this is something Saskatchewan did not have until the C.C.F. Government came into power. So the Government, through the Power Corporation, immediately took steps to correct this situation, and certainly no one can possibly charge the Saskatchewan Power Corporation with lack of energy. They had to start from scratch with a rural electrification program. We are well on our way to completing that program, not having 50,000 farms electrified, and all the towns and villages. But, of course, in order to provide the necessary power for both rural electrification and industry, it was necessary to greatly increase our generating power, and this also has been done. It has been tripled in the last few years, and when the Boundary Dam and Saskatoon projects are completed, and some other projects which we have in mind, Saskatchewan will have a well-integrated economic power network that will serve the power needs in this province for many years to come.

That is not all, Mr. Speaker. What about natural gas? One thing that the hon. Speaker will remember is that when natural gas was first discovered, oil companies had very little interest in developing our natural gas. While I am mentioned this, I think I should say right here that we should give a good deal of credit to Mr. Speaker for the tremendous energy and ability that he put into the work of the Power Corporation during the years that he was Minister of the Power Corporation.

Going on to speak of natural gas, there is no one thing that can do more to bring industry into the province than the development of natural gas – a safe, clean fuel, and a very moderate-priced fuel. As I said, after the S.P.C. made their offer to buy natural gas, right away we began to see great development. In the short time since then, the Saskatchewan Power Corporation served all the major cities in the province, and all the towns and villages, at very moderate rates. I know from personal experience. I know that we are saving between 40 and 50 per cent on our fuel bill, this year, since we changed to gas. In 1958 alone, some \$16 million was spent on the gas program; 300 miles of gas transmission lines were built, and they stretch now from Saskatchewan's western border right down to the southeast corner. By the

end of 1959 we expect we will have 50,000 natural gas customers in the province of Saskatchewan. This tremendous job done by the Saskatchewan Power Corporation in providing abundance of power, at reasonable rates, is proving (and I think we will see the effect much more in the immediate future) that this will be the greatest single factor in encouraging industry to locate in the province of Saskatchewan.

There is one more thing we should not forget when we are talking about what caused the progress in this province. I feel the people of Saskatchewan know this, and should be reminded of it, that there is no greater ambassador for Saskatchewan, no more loyal or enthusiastic supporter, no one better able to sell the province of Saskatchewan as a province filled with opportunity, and no one that puts more energy into the task, than the Premier of this province, the Hon. T.C. Douglas. So again, Mr. Speaker, I would like to say that the rapid developments in this province are not something that fell out of a clear, blue sky, not something that just happened without effort on the part of the Government. Certainly they happened because we are a province rich in resources, but also they happened because we have had a C.C.F. Government in power that has had a long-range plan for progress, and that has worked with such determination and energy to develop a diversified economy in our province. Mr. Speaker, I will oppose the amendment, and have great pride in supporting the motion.

Mr. Begrand (Kinistino): - Mr. Speaker, in rising to take part in this debate, I first wish to extend my congratulations to the mover and the seconder of the motion for the very fine job they did, and also to all the hon. members who have taken part in this debate up to the present time. I note with pleasure again that the Throne Speech this year is a very comprehensive and a very progressive one, providing for the continuation of all services to the people on a high level, and in some instances, more money has been allocated to continue to improve on some of our essential services. This, Mr. Speaker, is amazing, in view of the fact that the province of Saskatchewan is facing a decline in economy, due mostly to the bungling of the former Liberal Government and to the present Tory Government, who created a recession across Canada, and particularly in western Canada and in Saskatchewan, where our farm economy was at an all-time low.

I could go on and on about the Throne Speech, Mr. Speaker. It is a wonderful program, not only maintaining what we have, but adding more services to what we already have. I'm going to just run over a few of these things. For instance, the Government is going to assist the co-operatives and set up a farm credit system to help young farmers to establish themselves on the farm. This is a thing that should have been done by the Federal Government some time ago, and this was promised by the Tories in the last campaign, but, of course, with the same result – nothing. The Saskatchewan Dam is another great thing for the future of the province of Saskatchewan – another new project. The first potash mine in Canada has come into operation in Saskatoon, and the second one is right behind it – the first one in Canada! The big financial interests are not afraid to come into the province of Saskatchewan under a C.C.F. Government.

I would like to say a few words on the position this Government has taken in the field of education. In 1944, the total of grants to schools was around \$3¼ million. In 1958, it was somewhere around \$21 million, and the Speech from the Throne indicates that, in 1959, some substantial increases will be made in these school grants. We are fast reaching the position when the Government of the province of Saskatchewan is going to absorb 50 per cent of the cost of education for this province, and, therefore, relieving the people of a heavy burden of finance in the field of education. Progress is maintained and continued in every other Department of the Government, where the well-being and security of the people of Saskatchewan is involved. I am sure the people of Saskatchewan are very proud of such a Throne Speech containing all these essential services.

I would like to say a word now in regard to the Grid Road Program which was instituted by this Government in 1954, I believe. This program is a very extensive one. It is a joint program between the Provincial Government and the municipalities of this province, consisting of 12,000 miles of rural road in the province of Saskatchewan, in addition to the thousands of miles of highway that we already have. This program was begun in 1956, and it was estimated at that time that the cost would be about \$50 million, shared on the basis of 50-50 between the Provincial Government and the municipalities. However, after the first year of construction, it was apparent that the cost was going to be higher than was anticipated, and the standard of the road was also improved; therefore, the cost would be raised from \$50 million to \$60 million, an increase of \$10 million; but this increase in cost will not cost the municipalities in the province of Saskatchewan a cent more than originally, for now the cost will be shared on a basis of approximately 40 per cent for the municipality, and 60 per cent by the Provincial Government. In other words, the Government is absorbing almost entirely the extra cost of \$10 million. I note that 264 municipalities in the province of Saskatchewan are participating in this program; and around 29 towns and villages in the province of Saskatchewan.

The province of Saskatchewan is again leading the field in this gigantic program of rural roads for Saskatchewan. At this time I wish to congratulate the municipalities of the province who have the responsibility for building these roads, and particularly the municipalities and their officials that are within the provincial constituency of Kinistino, for the wonderful job they are doing.

My congratulations also go to the Hon. Mr. McIntosh, under whose Department this tremendous road program comes, for the wonderful job he and his staff are doing in providing all assistance possible, including finance, to the municipalities. When this gigantic Grid Road Program is completed, I am sure it will remain as an everlasting monument to the unity, courage and the vision of the Saskatchewan people, municipal officials and the Government of Saskatchewan.

Being a farmer all my life, I realize – I'm sure we all do so now more than ever before – that agriculture is the fundamental of all the economy of western Canada and, as a matter of fact, of the whole of Canada. Therefore, I would like to devote a little time now to the discussion of the present position of agriculture in western Canada and Saskatchewan.

When agricultural prices go down – the bottom is almost out of it now – everybody suffers; unemployment increases; there are more difficulties, and everybody feels the same thing. It is rather interesting, and in a sense disheartening, to see the current preparations going on among the organized farm movement for a “March on Ottawa” to obtain deficiency payments for western grain farmers. I say “interesting” because it shows the great unanimity of opinion among farmers and those who have their welfare at heart, that a change in present federal farm policy is absolutely necessary. I say “disheartening” because of the fact that this “March on Ottawa” is necessary only a short time after the Conservative Party rode the Diefenbaker horse to a smashing victory, partly on the solemn pledge of a ‘New Deal’ for agriculture.

Before their election to office, the Conservative Party had pledged itself to – I quote:

“Assure the farmer a fair and just share of the national income by maintaining a flexible price support program to ensure an adequate parity for agricultural producers based on a fair price-cost relationship”.

That was the pledge of 1957 and 1958. Mr. Diefenbaker himself, when in Opposition, knew exactly what the farmers wanted in the way of a parity price. He was an expert on it. He himself was records on page 2023, Hansard 1956, as defining parity in the following manner:

“Parity prices are the dollars and cents that give to farm products the same buying or purchasing power, they had in a selected base period when the prices received by the prices paid by framers were regarded as in good balance”.

Characteristically, Mr. Diefenbaker expressed himself that what the farmers wanted was “not charity but parity”. That is exactly what he meant, and, of course, Saskatchewan and the western people took his word.

Thus with great fanfare and flourish, the Conservative Party once in office unveiled what Mr. Diefenbaker at one point terms the “greatest advance in agricultural legislation in our history”.

The Agricultural Prices Stabilization Act has proven to be one of the greatest hoaxes ever perpetrated on the public. To begin with, the so-called formula is not based on a period when farm prices and farm costs were in reasonable balance, but only on the basis of 80 per cent of whatever price the farmer got during the past 10 years. Secondly, western wheat and coarse grains were excluded from the provisions of the Act. Saskatchewan farmers derived over 70 per cent of their total farm cash income during the past 10 years from selling wheat and coarse grains. Thirdly, there is no relationship to a parity price. If farm costs of production continue to go up, there is no provision in the Act for compensating the farmers through higher prices -

nothing whatsoever, but certain vague reference to actual costs of production, and no one, including the Federal Government, knows what these are, much less being able to apply them.

The forward-pricing feature promised is a real farce. Price supports are announced on a 12-month basis, regardless of the fact that it takes upwards of three years to produce cattle for market. Just how has the Conservative Party restored to the prairie farmer his just share of the national income? We have a situation where the farmer is selling his food below the cost of production. This is the statement of Dr. Andrew Stewart, the Chairman of the Royal commission on Price Spreads, who made the following statement November 12, 1958:

“When the farmer said he was selling his food below the cost of production, he was telling the truth. That was one thing the Royal Commission on Price Spreads learned during hearings throughout the country”.

Mr. Stewart even explained how the farmer was about to do this: “by sheer persistence, tightening his belt, forgetting about depreciation, and living on his capital. Such persistence is something you don’t often find in other fields”.

The latest Dominion Bureau of Statistics index number of Commodities and Services used by prairie farmers – the farm cost of living and production stands at 244.9. In other words, it now costs prairie farmers \$2.45 to buy what one dollar would be worth in 1935 to 1939. This is apparently the Conservative Party’s answer to a price support program for prairie agriculture. The fact is that the purchasing power of a bushel of grain today has never been lower in the history of the province, with the exception of two or three years in the midst of the great depression. There is no prospect whatever of increased prices for grain products in world markets which are determined by the subsidized competition of foreign nations. The Gordon Commission in its projections suggests that the present rate of Canadian exports of wheat and flour, probably at about 300 million bushels, represents close to the maximum that Canada can expect to export annually over the next quarter-century. The domestic market for wheat in real terms will buy fewer and fewer things for the farmer, as the cost of living and the cost of production continues to rise.

We hear a lot of talk about farmers becoming more efficient producers. Well, suppose we do produce more per acre – and here weather conditions are an important factor – what then? We get surpluses which cannot be cleared from the market, and which hang over the market more or less permanently, and ensure that we get a continuing downward pressure on grain prices.

Suppose then we follow the advice of some, and market some of our wheat and grain in the form of livestock. Would this be the solution? The fact is that the Gordon Commission has stated that Canadian production of

cattle and calves would have to be increased by only 8 per cent over the 1951-55 level by 1965, and that of hogs by some 20 per cent, to meet anticipated consumption requirements. We are just past that stage now. Since 1951, our farmers have reduced their wheat acreage by some 20 per cent. Our production of both cattle and calves and hogs is at an all-time high. Any further diversion of resources into livestock production would undoubtedly be reflected in meat surpluses which will be much worse than any potential grain surplus, having regard to the uncertain nature of the market and the perishability of the product. As a matter of fact, hogs are already in surplus, and the price is probably going to remain at the floor for some time to come. Beef cattle prices are presently being sustained by the build-up of inventory in the United States. However, this happy state of affairs is expected to terminate in less than a year's time, and cattle prices then will take the plunge. So diversion to livestock is not the answer. What then?

Apparently the Conservative Party has the answer, Mr. Speaker. The Prime Minister, in rejecting the request of the western farm organizations for deficiency payments, made the statement that "such payment would tend to impede essential adjustments to changing conditions of technology and demand". Translated, this simply means that our farmers should get off the farm. But would this be the solution at a time when unemployment in the urban centres is running high, and at a time when immigration into the country has had to be severely curtailed because of this? In February, 1958, total unemployment in Canada reached 14.8 per cent of the total labour force; at the end of November, 1958, 455,000 persons, representing some 7.4 per cent of the labour force, were still unemployed, and with the winter peak of unemployment still rising we may reach a million by April or May.

Federal economists do not expect any improvement in the gross national product in 1959 in real per capita terms, and no new Canadian economic boom is expected for several years. Is this a situation which can absorb a higher rate of movement off the farms? Absolutely, not, Mr. Speaker. The argument that deficiency payments would help only the large farmers is at best a pitiful excuse. Administrative producers are available which will ensure that the available funds from the federal treasury will be as widely dispersed as possible. The maximum of \$1,500 is one safeguard, and others could be adopted. The truth of the matter is that the Conservative Party has reneged on their pre-election promise to ensure that our farmers would obtain a fair share of the national income. That's the whole trouble. They have rejected the principle of deficiency payments, and not merely the particular argument proposed, without being able to offer anything else in its place except to dole out some \$40 million as a one-shot affair, last fall, based on no particular principle. It is a 'relief' payment unrelated to the needs of the farmers who receive it.

Admittedly we have a problem with some of our chronically low-income farmers who lack the necessary capital resources to farm efficiently. These farmers can be assisted through a special credit program designed to

meet their particular needs. However, the fact is inescapable that there is presently an income deficiency not only among the so-called small uneconomic units, but also among the larger farmers. The problem pervades the entire agricultural economy, not only its fringes. The Conservative solution to the economic problems besetting agriculture, particularly the “cost-price” squeeze is apparently to arrive at the “essential adjustments to changing conditions of technology and demand” by economic starvation of our farm population.

You might say, “Haven’t the Conservatives promised to assist agriculture through a crop insurance program, and through a revamped farm credit program”? We have had knowledge of these programs for the past 40 years. To be sure, the recent Throne Speech contains references to both of these matters. However, as far as crop insurance is concerned, it is apparently going to involve provincial participation and provincial funds, and will be on a contributory system as far as the farmer is concerned. Yet there has been absolutely no prior consultation with either individual provincial governments or representative farm organizations as to the type of kind of crop insurance desired. Instead, we are to be confronted with a “fait accompli” and given a “take-or-leave-it” ultimatum, as usual.

As far as farm credit is concerned, a similar situation prevails. The Speech from the Throne at Ottawa hinted that we can expect no immediate action from the Federal Government in this field, but only making a “review and revision of the legislation concerning farm credit”. Possibly this may involve some reorganization of existing credit agencies. That’s what they said. More window dressing!

As I mentioned, western wheat and coarse grains do not come under The Agricultural Price Stabilization Act; but what of our major products which do, such as cattle, calves, hogs, butter and so forth? Here again, the Federal Government is revealing the utter bankruptcy of policies adopted without principle. Mr. Harkness, the Federal Minister of Agriculture, recently threatened farmers that surpluses were appearing in milk, butter, poultry and hog production, which could force down support prices. In other words, we have an ultimatum. The only way the farmers can beat the cost-price squeeze is to produce more. Isn’t that what they mean when they tell us to become more ‘efficient’, Mr. Speaker? If we follow their advice and do produce more, we get surpluses, and they threaten to take away our price supports. There’s no way out.

I would like to point out that what I have just said about the gross inefficiency of the policy of the national Tory Party, Mr. Speaker, in regard to agriculture, employment, etc., applies equally to the national Liberal Party whose regime ended in 1957, after 22 years. Both of these old political parties are equally efficiency to plunge our country into national recessions, and they are both equally as inefficient to remedy the situation as history proves it. While I am on this subject, I would like to remind the House that the hon. members of the provincial Liberal Party sitting across in this House, have given their wholehearted support over the years

to the blundering policies of the national Liberal Party, and they have to assume some responsibility for the terrific crisis with which agriculture is faced today.

The fact remains that the farm sector of the economy is facing a grave crisis today, despite assurances to the contrary when the present Federal Government took office. What is needed desperately is deficiency payments now, to sustain the farm economy until a long-term comprehensive farm policy, based on principle rather than on expediency, is worked out. Such a policy has been promoted, advocated and supported by every C.C.F. member in the House of Commons prior to 1940 and since, and by the C.C.F. Government in Saskatchewan in the House and outside the House, but has consistently been turned down by both the Liberals and Tories in the federal field and the provincial field over this long period of years.

I see my time is up, Mr. Speaker, and I can assure you that the only thing for the farm people, the small business man, and the labouring people of Saskatchewan to do at the present time, is to do exactly what they are doing at the present time – organizing this mass delegation to Ottawa, to lay their protests and their requests at the foot of the Throne. Mr. Speaker, there is no need for me to tell you that I will oppose the amendment, and support the motion.

Hon. Mr. Nollet (Minister of Agriculture): - Mr. Speaker, I would first of all like to congratulate those people who have preceded me in this debate; particularly the mover and seconder, and more particularly my desk-mate, the junior member for the city of Regina (Mrs. Cooper) on the very excellent address she gave to the House, this afternoon. She did such a thorough job that one would just feel like adjourning and call for the vote at this time. However, there are certain aspects of the criticisms offered by the members opposite that I would like to make some reply to, particularly in the field of agriculture. One of the things that impressed me, in this Session of the Legislature, was the ineffectiveness of the rebuttal of the hon. members opposite. I wish, too, to congratulate the Leader of the Opposition on having made one of the most “shoutingest” speeches in the Legislature. The material he had at hand was so flimsy that he endeavoured to make up for the flimsiness of the material by shouting himself practically hoarse before he got through. But towards the end as the material grew weaker, his voice grew stronger, until finally his material died of a lack of sustenance, even though his voice raised to a pitch towards the finish; but his material predeceased his words by several minutes.

The hon. members opposite are becoming notable for their outlandish statements. I would like to review some of the new agricultural policies inaugurated by this Government since we came into power in reply to the statements made opposite, about this Throne Speech being the “barest”, insofar as agriculture is concerned, in the 1 years of office by this administration. Let us look briefly at the facts, and I hope the hon. member for Arm River (Mr. Danielson) says ‘Right!’ – I think he’ll have to.

I would first of all like to draw attention to the fact that, this year, we had an emergency in Saskatchewan which called for extra measures and expenditures from the provincial Department of Agriculture. In connection with the freight assistance and the movement of feed and fodder, we will probably have a cost of some \$300,000 for the movement of some 50,000 tons of fodder to meet the emergency.

Another item that is often overlooked and doesn't appear in the budget is indicated by the introduction of an amendment to The Agricultural Department Act, raising the amount of the Department's appropriation in the advance account by \$1 million. This \$1 million increase is to cover the cost of grasshopper chemicals, during the coming year, which will amount to an outlay of \$1 million. What's more, since we got into the purchase of spray chemicals since 1949 these spray chemicals at that time were costing the farmers \$3 an acre; we subsidized them then at the rate of \$1.50 an acre at a total cost of \$90,000 to the Department. We then got into the bulk purchase of these chemicals, and we progressively reduced the price by bulk purchase from \$3 per acre to 15 cents per acre for this year. What an accomplishment – from \$3 an acre to 15 cents an acre! Still hon. members opposite sit in their seats and say we haven't done anything for agriculture; we have done nothing to reduce the cost of farming. There's much more to come, Mr. Speaker.

Regarding the success of our new policies inaugurated since this administration came into power, directed towards bringing about greater stability in our agricultural economy and in increased production, I am glad to report that the response on the part of our farm people has been excellent, particularly in the field of diversification, which means a lot in years of crop failure. That's what we mean by 'stability'. In 1951 we had a cattle population in this province of 1¼ million approximately. In 1957 this figure rose to very nearly two million head of cattle, the greatest number in our production. The hon. member for Qu'Appelle-Wolseley (Mr. McFarlane) made some reference to this Government as being a 'one-cow Government'. In looking over the figures for Ag. Rep. District No. 6 which lies almost entirely within his own constituency, in five years' time the livestock numbers went up by over 46 per cent, both dairy cattle and beef cattle. Well, we've got the increased number of cows, and we've had them, and I will take the cows, and my hon. friend can keep the 'bull' if he likes!

What does this all mean in terms of money, particularly in a crop-failure year like this year? From livestock and livestock products we have an income to Saskatchewan farmers, this year, of \$185 million. We have gone a long way towards achieving our goal of greater stability through the diversification of our agricultural economy.

I want to make reference to another expenditure that has encouraged this sort of thing to come about. It didn't come about by accident, by any means. We have expanded the Agricultural Representative Service; we have added specialists in the Plant Industry Branch; a new specialist position in the Animal Husbandry Branch, and a disease control program that now numbers

the number of cattle vaccinated, cows tested, etc., from a few hundred head to well over the 100,000 mark. We are hoping that, within the coming year, we will be able to vaccinate nearly 160,000 head, which is just about the replacement number of our breeding stock.

One of the significant parts of this whole picture is the fact that our basic beef herds and breeding stock have not diminished. As a matter of fact, breeding cow numbers have increased again during 1958, despite the heavy marketing of livestock under favourable market conditions. What has given encouragement to this? In the administration of Crown lands we have developed, as everyone knows, many community pastures sufficient to help some 16,000 farmers who now have the benefit of community pastures. In addition, the allocation of Crown lands on an individual basis has provided some 20,000 farmers with benefits and encouragement to go into the livestock industry. Furthermore, the Lands Branch provides land-clearing programs to establish young farmers, and to give farmers better economic units, and we have spent over \$7 million for these programs alone. The C. & D. Branch – this is a new branch entirely, and since its inauguration I can list an expenditure of \$13 million. A total expenditure for just these new items alone, Mr. Speaker, since these programs were inaugurated, of \$21 million. Still my hon. friends opposite say we haven't done anything to speak of for agriculture; nothing new in the Throne Speech about agriculture, and that we have done nothing about reducing the farmers' production costs. We have done all we can within our own limited jurisdiction in this province.

One of the most important aspects which they overlook – and I am amazed that they didn't make reference to it, because (as they say) the Throne Speech is bare and contains nothing new; they overlooked the reference in the Throne Speech to the signing of the agreement for the development of the South Saskatchewan River project. Is this not new? Is this not a significant matter to appear in the Throne Speech in this House? This agreement involves the greatest single financial commitment ever undertaken in the history of this province, and it is the most significant project ever undertaken by this province. Certainly this project will ensure industrial development, and bring new agricultural stability to our economy. Yet hon. members opposite have overlooked this item entirely, when they say: "What are we going to do for agriculture?"

Here is an expenditure in total for this project of \$192 million - \$74 million for the Federal Government – the small end of it; and I might add, there is no difference between either of these Governments, whether they are Liberals or Tories, we found the Tories even less generous than 'Jimmy' Gardiner's government. \$74 million for them, and for Saskatchewan, \$118 million which this province is expected to contribute to this project, of which \$75 million is for the main reservoir and irrigation work. Separating the two, the irrigation works alone will cost \$55 million; added together, \$75 million – which will be chargeable to the vote of the Department of Agriculture. It is true that in the two years ahead, when initial engineering surveys and soil surveys

must, of necessity, precede actual development, these increased costs are not going to be so prominent; but after this preliminary work is done these costs will step up each year as the project comes into development. So in the final analysis we are committed to \$55 million for irrigation alone - \$55 million for the irrigation work and another \$20 million for the dam itself, on behalf of agriculture.

What other services or benefits to agriculture exist outside the Department of Agriculture? The hon. member for Qu'Appelle-Wolseley mentioned that 3.5 per cent of our budget was devoted to agriculture, and the Federal Government only devotes 1.7 per cent to agriculture. He forgot this statement was a condemnation of the former Liberal administration. That's all they provided for agriculture when the Liberals were in at Ottawa - 1.7 per cent of the overall national budget. Still the hon. members opposite say that we ought to do something more to relieve the cost-price squeeze that the Federal Government has imposed on the farmers! It is asking a little bit too much, Mr. Speaker.

Mr. Cameron (Maple Creek): - Remember that calf.

Hon. Mr. Nollet: - What are these other services, outside my own Department, of benefit to agriculture, and what other action has been taken outside this Department to reduce the burden of the cost-price squeeze, and to reduce the burden of taxation? Here are some of them. First, however, I wish to talk about the alternative employment opportunities that have been provided for Saskatchewan boys and girls as a result of the depletion of rural population - something for which no blame certainly can be attached to this administration. Everyone recognizes that the depletion of population in rural areas is caused - not as the hon. member for Qu'Appelle-Wolseley said, when he made the statement in this House that the reason we had lost 22,000 farm units from 1946 to 1956 is because of the deliberate policies of this Government to eliminate the population of the rural areas. Could any statement be more ridiculous? Everyone knows that mechanization and the cost-price squeeze have depopulated rural areas, and nothing else; but, action has been taken by this administration to provide alternative employment opportunities.

Here I take off my hat to the Saskatchewan Power Corporation and to the development of industry within this province by private enterprise, or otherwise. This is reflected in statistics. The hon. member from Qu'Appelle-Wolseley likes to talk about population, but even his own press won't agree with him any more. I noticed an editorial in the 'Star-Phoenix' referring to his outlandish statement, which gives him a scolding, a rightfully deserved scolding, because everyone knows what the facts are. Between 1951 and 1956, our net gain in population in Saskatchewan, as has already been mentioned by the hon. member for Regina (Mrs. Cooper) went up by 49,000. We can attribute that to the increased activity within the province, and the Saskatchewan Power Corporation can take its just share of credit for providing some of this new employment, to keep our young people in the province.

One only needs to go to the smaller centres through the province to see the increased business activity and the increased employment as a result of this development. The 'Star-Phoenix' said, in regard to a statement made by the hon. member for Qu'Appelle-Wolseley, with reference to depopulation:

"In a recent 'Provincial Affairs' radio broadcast, Mr. Douglas McFarlane, Liberal M.L.A. for Qu'Appelle-Wolseley, blamed the C.C.F. Government of Saskatchewan for Saskatchewan's population loss. Apart from the nebulous nature of this ancient argument, signifying nothing pertinent in any event, Mr. McFarlane's attempt to fix blame on the present Saskatchewan Government is not supported by substantial figures."

And they quote the figures that I just read to the House, Mr. Speaker.

Mr. McFarlane (Qu'Appelle-Wolseley): - On a point of privilege, Mr. Speaker, I would point out that in the statement made by the paper mentioned, there is an error there in the figures . . .

Hon. Mr. Nollet: - Mr. Speaker, there is no matter of privilege at all. If the hon. member would like . . .

Mr. McFarlane: - I sent a copy of my address to the 'Star-Phoenix' with the corrected figure, but the figures that were published were entirely different.

Hon. Mr. Nollet: - You have made your argument far weaker, and it certainly is not a reply to the figures which I have just given to the House . . .

Mr. McDonald: - The facts are we do have 200,000 people less than we had 10 years ago. Let's have the truth!

Hon. Mr. Nollet: - Mr. Speaker, the hon. Premier has already referred to the tremendous expansion of services by the Saskatchewan Power Corporation. I would like to comment on what this means to the rural areas of Saskatchewan. Hon. members opposite held that up as another load imposed on the farmers. I want to say to them that nothing has done more to keep farmers in the business of farming and on the land, particularly young people, than the bringing of the power to the sparsely populated areas of this province, not only in terms of amenities of life, but in terms of reducing the cost of their production. In doing that we have provided farmers in this province with a cheap hired man, and it is the only cost, as far as the farmer is concerned, that hasn't gone up since 1946, but that has brought his production costs down. I don't know of anything that has brought as much encouragement to the people of the rural areas. There are 50,000 farmers in Saskatchewan who will reply to their criticisms of a greater burden being placed on the farmers' shoulders because of the activities of the Saskatchewan Power Corporation.

Mr. McDonald: - They sure will!

Hon. Mr. Nollet: - The hon. Leader of the Opposition is smiling. The people in my part of the country know better than that. We have power in areas where we never dreamed we'd have it, even three years ago; and they know what it costs on the Alberta side, and the benefits of what the Power Corporation is doing in bringing power to the more scattered areas for \$600. It costs them \$2,000 for free enterprise power on the Alberta side of the boundary under equivalent circumstances. That's quite a difference! I think the hon. Leader of the Opposition and his colleagues ought to direct their criticisms to free enterprise power costs they have over in the province of Alberta, rather than . . .

Mr. McDonald: - What about the Crown Company in Manitoba?

Mr. Gardiner: - He doesn't like Manitoba – he's never heard of it.

Hon. Mr. Nollet: - This investment of public money is significant, Mr. Speaker, and I am going to give some figures to indicate the amount of money that it took to carry out this tremendous task. In 1944, the Power Corporation had an investment of somewhere around \$8.9 million; 123 farms were electrified. In 1958, their investment in plant and lines went up to \$152 million, and 50,000 farms electrified. Mention was made in the Throne Speech of expansion to plants; the hon. member for Regina also referred to it. What does that mean in terms of new money? The expansion of plants in Saskatoon, the South Saskatchewan Dam, Squaw Rapids and Estevan. The hon. member for Melville shouldn't giggle so much. The expansion of these plants will call for another expenditure of around \$106 million on top of the \$152 million already invested by the Corporation, which raises the amount to a total of \$258 million invested in plants. Everyone knows we have to borrow money for this kind of enterprise in huge amounts. Everyone knows that when we start self-liquidating projects, it is expected such projects should operate on the basis of service, and not at a loss and not at a profit. If such projects operated at a loss and showed a constant deficit, I would think that the Provincial Treasurer would find difficulty in obtaining the necessary money to provide for the expansion of this very important public service.

Mr. Lopton (Saltcoats): - How about the farmers?

Hon. Mr. Nollet: - I would like to mention at this point that the magnitude of this undertaking is pointed up by the fact that the Federal Government refused a \$100 million low interest, long-term power loan to this province, apparently because, according to Mr. Alvin Hamilton, they don't have the money; they have a tight budget. This indicates again the tremendous desire of this Government to assist the general economic condition of this province.

I would like to mention other things which have gone a long way in reducing the burden of taxation for our rural people, and farm production costs. I would like to mention the Hospitalization plan; no one has made reference to it. It's getting so common that no one hardly makes reference to it at all, any more. This plan, in the past year, aside from the per

capita tax, has brought in \$15 million more for this, \$6 million of which came from the sales tax, and \$11 million from other sources of revenue. Did this not help people to reduce costs of living, and also to reduce the cost of operating municipalities? At one time, the municipalities had the responsibility for hospitalization and for indigents, and this plan has taken this load off the municipality - \$15 million worth.

On top of this, in the Department of Social Welfare, the total welfare public assistance fund came to \$9 million, of which the province paid \$6 million, the municipalities \$387,000 and the balance by the Federal Government, and more to come, Mr. Speaker. I can recall the days when the little social aid one could get was shared 50-50 between the province and the municipalities. Now this has been raised from a 50-50 basis to a 75-25 basis. Actually, in the past year it has been on an 83-17 basis, and under the Minister's new plan the province will assume 90 per cent of social welfare costs with the municipalities sharing 10 per cent. You can therefore chalk up another \$6 million worth on this account which brings the total to \$21 million to ease the burden of municipal costs.

In regard to the Department of Municipal Affairs, everyone has forgotten that we abolished the Public Revenue Tax which this year, if it were still applied, would cost the farmer \$2¼ million more in municipal taxes; and in addition, there is the equalization grant, something which was not in existence when I was reeve of a municipality. We were lucky if we got \$500 in my day, and, believe me, one had to make a special trip to Regina to get it, if you lucky enough to get it . . .

Mr. McFarlane: - That's still so; that's still true.

Hon. Mr. Nollet: - . . . unless it was an election year. This Public Revenue Tax has been abolished, and we have increased equalization grants amounting to \$600,000 and now there is the road grid which they have endeavoured to describe as being another burden being placed on the municipality and the farmer. How silly can people get? I regret that I said to the hon. Leader of the Opposition: "How stupid can you get?", but it is those kinds of statements that - I'll say this, Mr. Speaker, there was a little provocation on his part. I don't like to interrupt this way, but here we are. In total, we have a net gain to municipalities of some \$8 million. Added together, what have we got? In these items alone, we have a \$29 million contribution towards reducing taxes and farm operation costs in rural areas. It's a good story, Mr. Speaker. I cannot help but think of the lumberjack, and the hon. Leader of the Opposition reminds me of the lumberjack who always complained about the grub. No matter how good the food is, lumberjacks usually still complain about the food. In this particular instance, two lumberjack buddies went to a camp where they had everything you would want in food - chicken, beefsteak, all the pies you wanted - blueberry, pumpkin, and everything, and the loveliest doughnuts - great, big doughnuts. Well, they sat down and filled themselves up and one of the lumberjacks polished his meal off with about half a dozen doughnuts. His friend said to him: "Pretty good camp, isn't it? Pretty good grub, isn't it?" And the other lumberjack said: "What are you talking about! The holes in the doughnuts are so big you could use them for

horse collars.” He should get his teeth into them, and get a taste of them, and he’d change his mind.

What about the cost-price squeeze? I would certainly like – and very appropriately, to make some reference to the cost-price squeeze. With the return of the Conservatives in power in Ottawa, superseding the Liberals after many years in office, we again have another demonstration that there is no difference between the Liberals and the Conservatives. Even the Saskatchewan Liberals have changed their attitude somewhat. At one time Ottawa could do no wrong; Ottawa was completely exonerated for the farm problem. Now they are looking to Ottawa too, peculiarly enough, now that there is a Tory Government there. It is the Conservatives who are now talking like they used to talk, a year ago. Now they really know, since the farmers are going to Ottawa, that this must be an area of responsibility for the Federal Government.

To answer the silly criticism that we have been getting about the province doing something about the cost-price squeeze, I would like to make some comparison. It has been mentioned by the hon. member from Bengough (Mr. A.L.S. Brown), when he moved the Address, that if we turned over the whole provincial budget, we couldn’t begin to relieve the cost-price squeeze problem. Why? Mr. Wesson is credited with the statement that, within the four-year period 1954-57 inclusive, comparing that period to 1953, the farmers lost from grain alone, over \$1 billion. That works out, annually, to \$110 million in excess of our annual budget in this Legislature. This is in just four years, on account of grain alone; and still the hon. members opposite think we ought to do something about a problem of this magnitude.

I would like to draw their attention to the fact that the cost-price squeeze affects the farmers in every province in Canada from the Atlantic to the Pacific. Indeed, we had our Provincial Ministers of Agriculture Conference in Nova Scotia this year. Remember how we used to read about the great apple-growing area of the Annapolis Valley, and how the beauties of that valley when the orchards were in full bloom, were extolled throughout the Dominion of Canada? Well, if you go through the Annapolis Valley, today, you will see naught but deserted orchards, and unkempt orchards. I think it is a standing disgrace, and an indictment of the previous Liberal administration for the lack of sound agricultural policy that here, right on the seaboard, where the ocean-going vessels came into port with their noses almost touching the apple trees, they could not produce apples and take them across the waters to the markets in the United Kingdom. Still this industry has practically been destroyed in the Annapolis Valley. Believe me, it impressed me to look at conditions there.

The cost-price squeeze has been everywhere. I should say that the former Liberal administration helped the apple growers to pull up their trees, but they did not help them to put in other trees of a better variety. Even so, had they done so, I assume that, because of their inability to find markets, the same circumstances would have resulted. This whole story of previous Liberal administration is a story of callous disregard by that administration,

and by the present administration under the Conservative Party. The Liberals put on the squeeze with the support of the Conservatives in 1946, when everything was de-controlled and the profiteers were given a free hand in this country of ours.

Mr. Danielson (Arm River): - Profiteers!

Hon. Mr. Nollet: - The Liberals brought it on, and the Conservatives are tightening up the squeeze. I should first say that when the Price Stabilization Act was passed by the previous Liberal administration at the close of the war, their Prime Minister very solemnly then promised the farmers of Canada that, because of the sacrifices they made during the war in the interests of price control, "never again would agricultural prices be permitted to drop to ruinous levels", but he did not say anything about how they were going to let farm costs increase, and subsequently to permit farm prices dropping to ruinous levels. Of the \$200 million borrowed in the interests of stabilizing agricultural commodities, during the whole period of Liberal administration there was only \$36 million of that sum of money spent on behalf of supporting agricultural products. Yet our Liberal friends provincially try to tell us that we should do something about this, when their Federal Government did nothing about it for all the years they were in office during the post-war period.

It is true that the new administration raised the amount of the Stabilization Fund by \$50 million, but when the farm organizations asked them for some deficiency payments because of the \$1 billion loss in four years time, what were they told? They said, "We cannot give you that amount of money". So they came home with a crumb - \$40 million; \$2 an acre up to 100 acres, a limit of \$200. Some farmers were happy; they thought surely there will be more to come. They said this was a "stop-gap", "one-shot" measure. Well, we have waited and waited and waited for their long-term agricultural policy, and none have shown up on the horizon; but other things did emerge on the horizon. What? A 17 per cent increase in freight rates! This rubbed out the benefit of their meagre \$40 million, because it is estimated that the farmers of Canada will pay 36 per cent of this increased freight rate, amounting to \$22 million annually: not a one-shot bill, but one that will recur annually, and the end is not in sight. There is no difference, Mr. Speaker, between the Liberals or Tories in power. They make glowing promises outside when they are not in office, and when they get into power, they very conveniently forget their commitments to the people of our country.

Why are the farmers going to Ottawa? They are going to Ottawa because, over this period of time, farm costs have gone up 50 per cent, while farm prices generally have gone down over 12 per cent. In fact, wheat alone has dropped since 1946 by 34 cents a bushel. I'll not mention the drops for other grains. This situation is in sharp contract to the \$400 million we are told has been spent on the Avro Arrow Jet Interceptor. Surely any Government that treats its farm people so shabbily, that can spend \$400 million and throw it lightly aside for defence, sustains our argument that perhaps it would be better if some of this money that went into these defence programs were diverted, not only for the development of our economy through-

out Canada, but in support of our farmers, and if it were, I think we would probably do a lot more to convince other countries of the merits of our democratic form of government. I think it is a blight on our democracy that we can have such a situation prevail; not only that, but the uncalled for, exorbitant profits that have been made as the result of these huge expenditures of public money. The Premier has already referred to the pipeline profits made by Cabinet Ministers in both the Liberal and Tory parties in the province of Ontario, when the pipeline was put in there.

Mr. Danielson: - What about your own?

Hon. Mr. Nollet: - Mr. Speaker, what are the causes of inflation? I wish, some day 'The Leader-Post' would tell the people of this province what the real cause of inflation is. They have been going all around it. They have been suggesting that certain remedies ought to be invoked; never specifically stating what ought to be done, but merely saying that if we all co-operate together, and if we're all good fellows, inflation will disappear. They even suggest that to repay to the farmer something that he has already lost, at least in part, would bring on another spurt of inflation. That, of course, will not bring on more inflation. There is only one cure, Mr. Speaker, and that is the re-imposition of price controls, and they ought to have been maintained back in 1946, particularly so in the face of heavy defence expenditures.

Here are some of the real factors behind inflation. I have in my hand 'The Co-operative Consumer', February 13, 1959. They tell here about a Senate Judiciary Committee investigation on anti-trust and monopoly in the United States. This report contains some revealing information. They state here, as the Premier did the other day, when he said "there is no such thing as the law of supply and demand". They talk about 'administered' prices. Those administered prices are not called monopoly price fixing any more; they are called administered prices. They are, at least insofar as General Motors is concerned. Here is an organization which markets about 50 per cent of the motor vehicles in the United States, and in the past 10 years the average profit for this Corporation, after taxes, was an impressive 25 per cent, compared with a national average for manufacturing of only 11 per cent. It shows what you can do when you're big – how you can administer prices. The worst of these years, 1957, saw a General Motors profit of only 17 per cent. 1957 was their worst year while in 1950, the best year's profits reached a phenomenal 37.5, and it goes on to state the profits before and after taxes, which indicates very clearly to me that these big corporations merely pass on the income tax charged to the person who buys their commodities; so in the end, the consumer pays through the nose.

Mr. McDonald: - Mr. Speaker, what is the hon. Minister quoting from?

Hon. Mr. Nollet: - I told you, if you'd kept your ears open – 'The Co-operative Consumer' of February 13th, and they are referring . . .

Mr. Danielson: - Who writes their editorials?

Hon. Mr. Nollet: - It's not an editorial. They are quoting here from the Senate Judiciary Sub-Committee report, and I am quoting from the Committee report which appears here in the 'Co-op Consumer'.

Mr. McFarlane: - You're down in the United States now.

Hon. Mr. Nollet: - Well, there's no difference, Mr. Speaker. That's the point I want to make, as I go on here. There's no difference in the drive for profit on the part of an American firm or a Canadian firm, and General Motors are in Canada, too.

Mr. McDonald: - Or a Crown Corporation!

Hon. Mr. Nollet: - I'm glad the hon. Leader of the Opposition mentioned that.

Mr. McDonald: - Like the Timber Board!

Hon. Mr. Nollet: - Here we have a Corporation making 37 per cent profit through the people who have shares and investments in that corporation; to make more money, to accumulate more money, so they can do the same thing in a bigger way. Contrast that, Mr. Speaker, and the trends inherent here in creating inflation and increased prices. Can anyone imagine that this 37 per cent profit is not reflected in increased prices to the consumer? Is that not the source and origin of inflationary tendencies? For that reason I say controls are vitally necessary to compare this with the Power Corporation operating for public service rather than profit, reveals a striking contrast between the profit motive and . . .

Mr. Danielson: - And the Liquor Board!

Mr. McFarlane: - The Timber Board!

Hon. Mr. Nollet: - . . . an organization based on rendering a service to the people of the province, and encouraging development. You don't find these exorbitant profits, and, in addition, the Power Corporation is under the democratic jurisdiction of this Legislature, and members have the opportunity of making full inquiry into the financial standing and the policies of the Power Corporation.

This is not the case with the General Motors Corporation. It is a government unto itself. I get a little bit tired of some of our free enterprise friends trying to equate huge business corporations with democracy. They are the direct opposite, Mr. Speaker. If we're going to have economic democracy, it will be on the basis of public ownership of these major industries which have such a tremendous bearing upon the economic and social destiny of humankind.

Mr. McFarlane: - What about the cement plant; the steel industry?

Hon. Mr. Nollet: - I'm just pointing up one example and one reason why we have inflation. One can multiply this over and over again.

Figures have been given to this House by the hon. mover of the motion in regard to farm income in Saskatchewan, and I pointed up also the seriousness of inflation, and the harm it does, because I want to tell to the House, in story form and figures form, what it has meant to the farmers of our province – this thing of inflation; this thing of a reduced value of our purchasing dollar. For example, in 1946 we had a net farm income in Saskatchewan of \$257 million. In 1958, that net income was \$225 million, very considerably under 1946. But to make this picture worse, when you deflate that net income in terms of purchasing dollars today, what does it amount to? In 1946, the deflated net income for the farmers of the province was \$187 million. What was it in 1958? Only \$93 million – a drop in deflated purchasing dollars between 1946 as against 1958, of \$94 million. This effectively tells the story of inflation and its effect on the agricultural industry. That is the reason we are in trouble, and that is the reason why we have difficulty in meeting our tax commitments. It is for that reason that any further improvement for rural services has practically come to a dead end, unless something can be done about stabilizing farm income at a level proportionate to farm costs.

I have in my hand, Mr. Speaker, the overall bill that the farmers in this province are expected to pay, or were expected to pay in 1957. In 1957 the farmers of this province had a total bill for all purposes, for municipal services, costs for all their requirements, of \$711 million; but their total income including P.F.A.A. payments, and income from all sources in that year was \$586 million registering a net deficit of \$125 million. There are 103,000 farm units involved in this loss.

How are we going to make up this income deficiency to enable these 103,000 farmers engaged in agriculture to function normally, and pay for all their requirements in addition to farm operation costs? It strikes me that, first of all, we must put into the hands of these farmers, sufficient to enable them to meet their total obligations in terms of price. Of necessity, in determining the price for grain, we must calculate the price on the basis of long-term yields in order to put enough money into the hands of the farmer in the form of crop insurance, to enable him to survive in years of crop failure. This will have to be done in order to get an accurate measure as to how much ought to be put in the industry as a whole.

The same holds for livestock and other farm commodities; based on current production we can determine what prices ought to prevail to give the industry as a whole its required income. Obviously, there is going to be disparity of income if we stopped at this point; but, in my mind, it seems that we have to set up an organized savings plan, in the form of crop insurance plants – in the form of plans to offset loss of income because of accidents, or loss of income because of any factor. 103,000 farmers are entitled at least to the same income security as any other person who is working for General Motors, or for the Power Corporation, or for the Government itself. Farmers are entitled to the same kind of protection as other groups, but how do we get it? Naturally, in the marketing of farm commodities we will have to make appropriate deductions, and we can do so because we have already allowed enough

in the price to cover, in the case of grain, crop failure years.

It is expected that the larger producer will, of course, pay correspondingly more to such funds. It would be a method of bringing about some equalization in the redistribution of this money at times when we do have crop failures, and that sort of things. In other words, the farm income problem is a problem which must be dealt with as a whole. It cannot be dealt with piecemeal. It is not good enough to just give price supports to the dairy industry, or price supports to the grain growers, or price supports to the poultry producers. The entire industry has got to obtain sufficient income to provide for all of the services that we expect the industry to carry. That has got to be done. It will take a lot of money. It will take much more than what we are thinking about now, in terms of reimbursing farmers for their loss of income over the past three or four years. It will take much more.

Is this logical, and would it bring about inflation? I think it is logical, and I don't think it would bring about inflation. It is logical because these figures which I have read to the House are logical. How can we avoid putting sufficient income into the hands of the farmer?

The further question that comes to mind is: Should the consumer pay this whole bill? It will be a big bill, and, incidentally, I ought to mention that out of the \$2.8 billion of Canadian farm income, when the products represented by that income for all the farmers of Canada reaches the consumer, he actually pays around \$6 billion for it. In other words, the farmer's share of the consumer's dollar has been growing less and less. In between is the processor and the merchandiser, who get 56 per cent and the farmer now gets about 44 per cent. So, if we gave the farmer additional income price wise, it would make quite a substantial bill.

Should the consumers individually pay that bill? Obviously, the answer will be no. Everyone would be up in the air if they thought we had so little consideration for the low-income groups. The principle of subsidy is well recognized, and has been recognized in other countries. It is for that reason that other countries have adopted the principle of consumer subsidy, or subsidies on behalf of the agricultural industry – it works both ways. Very legitimately we can say that a necessary increase in the cost of food should be shared by all the people of Canada, in much the same way as many other services that are essential are shared by all the people of Canada through the taxation that we receive by way of various devices – income tax, corporation tax, and so on.

As a matter of fact, I do not think it would be illogical for me to suppose that the \$1,074,000,000 tariff revenue that the Premier referred to, might be earmarked for such a fund, and could be legitimately earmarked for such a fund, particularly because the farmers of Canada have to buy in a protected market, and they must sell in an unprotected market. Just as true, we could say and argue, I think successfully and logically at least, that the National Treasury must at some point support farm income by way of defic-

iciency payments, indeed, in support of an overall agricultural marketing and farm income plan for Canada. Because of this, we have been calling for a national conference on marketing and farm income. It is not enough to just stop at marketing; we have got to think in terms of farm income as well. To date no such conference has been called, and there is very little likelihood that one will be called. This I regret, Mr. Speaker. I think that unless we in western Canada, and those who are interested in the welfare of agriculture, focus attention on these major problems, and avoid introducing side issues, particularly suggesting that a solution might be found at the provincial level, or any other level, is detracting from the real solution that we all ought to direct our attention to.

There is much in the Throne Speech to the benefit of the agricultural industry of this province, and on behalf of reducing costs to farmers; and there is a great hope in the Throne Speech for the future. Mr. Speaker, because of this, and because of the fact that Opposition members have not presented any conclusive arguments as to why I should support the amendment, I will support the motion, and vote against the amendment.

Mr. F.E. Foley (Turtleford): - Mr. Speaker, I wish to join with the previous speakers in congratulating the mover and the seconder of the Address in Reply to the Speech from the Throne, and I also wish to compliment all previous speakers in the Throne Speech Debate.

In view of the remarks of the Minister of Agriculture (Hon. Mr. Nollet) that we had given him no reason for not supporting the Speech from the Throne, and in view of the fact that he found fault with the dynamic speech that the Leader of the Opposition (Mr. McDonald) gave in this House the other day, I want to say, too, that in my opinion, on many occasions during his address he attempted to cover rather poor reasoning in rather loud terms. He has stated that members of the Opposition have not effectively answered criticism. I want to suggest that the Opposition in this Legislature, in this Throne Speech debate, have offered, in my opinion, a good deal of excellent criticism, none of which has even been replied to by members of the Government. If you will permit me, I would like to mention a few, just in review. In so doing I wish to compliment the Leader of the Opposition for one of the finest speeches of his political career; and it is so recognized throughout the province of Saskatchewan.

What were some of his points that have never been answered by a member of the Government in this Session or any other Session that I can recall? First, what about the mineral tax on farm lands – the tax that started off to be 3 per cent and ended up being anywhere from 6 to 9 per cent, or a tax of about \$19 to \$20 on a quarter? Have they ever justified that tax to the people of this province? Not that I can recall. What about the increase of 71 per cent in the gasoline tax; the increase of nearly \$30, in some cases, on farm truck licences? Has that ever been justified by a member of this Government to the farming population of this country? Not that I can recall.

What about the increase in municipal taxes from \$29 per capita, in 1944, to nearly \$100 in 1957? Has that been justified? Has it even been replied to? It has never been mentioned in this House.

Mr. M.J. Willis (Elrose): - Ask the teachers about it.

Mr. Foley: - I'm glad you mentioned teachers. What about the charge from the hon. member for Pelly (Mr. Barrie) where a member of the teaching profession of this province received a reprimand from the Department through the newspaper before the mail.

Hon. Mr. Walker: - Pretty bankrupt politics!

Mr. Foley: - What about that, Mr. Speaker?

Hon. Mr. Walker: - Get on with public business.

Mr. Foley: - It is human rights, Mr. Attorney General, that I am dealing with. The hon. Minister of Agriculture said that we have offered no constructive criticism in this Legislature. The Government call themselves the friend of the farmer and then, in their grid road program, they call upon the municipalities to pay nearly half the cost of the construction of roads which should have been considered part of the provincial highway system from the beginning. The fact that nearly forty of the municipalities in this province have not been able to make any use of the grid road program . . .

Hon. Mr. Brockelbank: - Mr. Speaker, may I ask the hon. member a question just so I won't . . .

Mr. Foley: - I'll give you a chance, Mr. Minister. I have one more point; I am merely stating a few of the points which I feel have been intelligent, sensible arguments, sensible criticism of this administration. Has the Premier answered them? I don't recall any reference to them.

Hon. Mr. Walker: - Let's get serious now.

Mr. Foley: - This Government, and the Premier sitting opposite, have made a number of promises over the years which have not been fulfilled. Have they ever justified the reasons for their lack of fulfilment? Among other things, the Premier promised that he and his Government would resign if it could be proved that a farm family had lost title to their home under a C.C.F. administration.

Premier Douglas: - The hon. member knows that is not true. Why keep repeating a lie?

Mr. Foley: - The Government should have resigned 2,221 times in the last 15 years, if they were going to keep that promise.

Hon. Mr. Fines: - Who did you hear say that?

Hon. Mr. Walker: - Poetic licence!

Mr. Foley: - It may be poetic licence. What about this statement by the Leader of the Government in this province: the first thing a C.C.F. Government would do, if elected, would be to recognize education as the responsibility of the Provincial Government?

Hon. Mr. Walker: - Do we have to listen to that old cracked record?

Mr. Foley: - It has never been replied to satisfactorily.

Hon. Mr. Fines: - The people have replied four times . . .

Mr. Foley: - I think it is time that we had a reply.

Hon. Mr. Walker: - . . . in four successive elections.

Mr. Foley: - The Premier attempted to say, the other day, in what I thought was rather a lame reply, that that is not what he meant.

Premier Douglas: - It is exactly what I meant; exactly what it says.

Mr. Foley: - How else could you interpret the statement "that the time has come when we must recognize that Canada's constitution places the responsibility for teaching our children squarely upon the Provincial Government, and it cannot be passed on to any other body"? And yet other bodies in the province are looking after nearly 70 per cent of the cost of education, even in 1958, after 14 years of C.C.F. administration.

I was rather interested when the Minister of Agriculture said he was going to reply to some of the Opposition's criticisms. You cannot reply to criticism, Mr. Speaker, with bluff and ridicule. You cannot; and that is all that we have heard in the way of replies from the Government in this Session to date – bluff and ridicule and meaningless words, and lots of them.

Premier Douglas: - There are lots of them now.

Mr. Foley: - I would be pleased, Mr. Premier, to have your answer. The hon. Minister of Agriculture said: "We had better have price control" . . .

Mr. Korchinski (Redberry): - Planned economy!

Mr. Foley: - Planned economy. I wonder if the hon. members opposite realize that in the best thinking of the economists of the day, price control implicates that you must also have a ceiling on wages, a ceiling on earnings. I didn't hear the hon. Minister talk about that.

Public ownership, he said – “economic prosperity depends on public ownership”. Was he referring to the Crown Corporations in this province perchance? Was he referring to what has been happening to our Crown Corporations even during the past few months? I realize, of course, that there may be justification for some of these activities, but nevertheless, I am sure that, in light of the many exorbitant statements that are being made throughout the province concerning the mineral wealth of this country, it must be disturbing for people to read headlines such as this: “Base metals dip, while uranium increases.”

Hon. Mr. Brockelbank: - Mr. Speaker, I wonder if the hon. member would state from what he is quoting.

Mr. Foley: - I am quoting from ‘The Leader-Post’.

Mr. Cameron (Maple Creek): - Well, it is a fact that is beyond dispute. Go ahead!

Mr. Foley: - I am quoting from ‘The Leader-Post’ of February 10.

Mr. Cameron: - February 10, 1959.

Mr. Foley: - “Base metals dip while uranium, promoted in the province of Saskatchewan by a Federal Liberal Government, continues to increase.”

There is another little headline here, contained in the latest report of the Timber Board: “Forest revenue drops \$1 million.”. Now I know the hon. Minister will say, in those fine tones which he is capable of, that “we have been planning the timber economy of the province and we are conserving for future generations”, and so on. But has the Minister of Natural Resources answered the charge of one of my colleagues concerning the manner in which Timber Board prices have been nearly twice, and in some cases more than twice, the actual cost of producing the timber within a few miles of the farmers’ homes? Has he attempted in any way to justify the discrimination which this Government shows to the people in the timber areas of the province? I haven’t heard any reply yet. And then the hon. members opposite complain about the lack of criticism.

Hon. Mr. Brockelbank: - What would you do about it?

Mr. Foley: - Well, I think, in view of the present plight of the farmers in this country and in view of the barrenness of the policy of this Government in that respect, there might be something we could do to assist the farmers to buy their lumber more cheaply, and thus cut down their costs. I think there might be something we could do.

Hon. Mr. Brockelbank: - You wouldn’t throw them out the window? That’s what you used to say.

Mr. Foley: - We heard a considerable amount, today, about population. The Minister of Agriculture quoted figures attempting to show that our other colleagues here were not quite correct in their statements

on population. It is a well-known fact, which can be substantiated by the Dominion Bureau of Statistics, that Canada's population has increased in the last ten years by about 42 per cent. How has Saskatchewan stacked up in that increase? How has Saskatchewan stacked up? Saskatchewan's natural population increase, during that time, should have been over 300,000 people. What were the actual figures? Many, many times less; and yet the junior member for Regina (Mrs. Cooper) suggests that Saskatchewan has enjoyed actually a population increase.

If the truth were known, Mr. Speaker, Saskatchewan has suffered a most alarming decrease in population during those years which should have been the most prosperous in her history. You know that a decrease in population, or a lack of an increase – there may be a difference in the minds of some statisticians – is a very serious thing; because we move from lack of an increase in population to the lack of what that increase might have contributed to the provincial economy, what that industry might have done to assist our hon. Provincial Treasurer in balancing his budget this year – the fact that he may have a very difficult time (using his own words), the fact that he may be forced to bring in a deficit budget.

It may have something to do with the reluctance on the part of Ottawa to loan the Power Corporation of this province \$100 million. It may have something to do with it. I realize the decision has not become final yet, one way or the other; but there does seem to be a hesitation, I think the hon. Premier will agree.

I have an article here giving a summary of Canada's population, taken from 'The Leader-Post' of last week. The Bureau of Statistics shows that, since 1956, Canada's population has risen by 1,200,000 or 7.5 per cent, with British Columbia, Alberta and Ontario setting the pace. Saskatchewan trails the field. Now I think that will answer the comments of the junior member for Regina with regard to population.

Hon. Mr. Walker: - What would you say about 1940?

Mr. Foley: - I was very interested, the other day, not only very interested, Mr. Speaker, but absolutely astounded – to hear the junior member for Saskatoon (Mr. Stone) picking a quarrel with the very bodies of public people in his city who stand for progress and development in that great northern city, when he should have been standing on his feet, requesting the Industrial Development Office to get busy and bring some industry to the northern part of this province. He was castigating elements in his own city who have rightfully found criticism of the manner in which promotion has been made in the northern part of this province. No one is more happy than I to see industrial development in the province of Saskatchewan, and I am sure all my colleagues share that feeling with me; but at the same time I think the old maxim of "share and share alike" is . . .

Hon. Mr. Walker: - We've heard that one.

Mr. Foley: - The old maxim that 'share and share alike' is fair should be investigated by this Government, because I think it is time. And when this Government and their Ministers say that the reason more industry doesn't come to northern Saskatchewan – to Saskatoon, North Battleford and Prince Albert – is because of the differential in freight rates. I want to suggest that there may be other more serious reasons than a differential in freight rates. If that is the reason that is keeping industry from the northern part of this province, would it not be within the realm of possibility that an alert provincial government might do something to equalize, or in some manner subsidize, that difference in freight rates? Have they no initiative? Have they no originality? I think it is just about time that we had a chance in this provincial administration, just about time that someone with a little bit of fresh thinking and a little more imagination . . .

Hon. Mr. Walker: - Would you like an election this summer?

Mr. Foley: - The hon. Attorney General is smiling. I am pleased that he takes note of my remarks, because I was very pleased to take note of one of his remarks, the other day, when the hon. member from Qu'Appelle-Wolseley (Mr. McFarlane) was doing such a masterful job. The hon. member from Qu'Appelle-Wolseley was asking some very embarrassing questions of this Government. He was asking about their niggardly policy on butter. I am sure the hon. Minister of Public Health (Hon. Mr. Erb) could tell you that the caloric content of butter is higher than that of margarine, and the people in our public institutions certainly need . . .

Hon. Mr. Erb: - That's not true.

Mr. Foley: - In the opinion of one authority it is true; I realize that authorities differ on these controversial matters. When the hon. member for Qu'Appelle-Wolseley suggested to this Government that because they gave to the public institutions of this province less butter than the production of one cow in the space of a year . . .

Mr. McCarthy (Cannington): Six years.

Mr. Foley: . . . and regretted the fact the Hon. Attorney General was heard to say: "IF we bought butter for our public institutions we would be subsidizing the farmers". That is what he said, Mr. Speaker.

Hon. Mr. Walker: - There is no truth whatever in that statement.

Mr. McCarthy: - Oh, oh!

Hon. Mr. Walker: - Just for the record I want to say that that statement attributed to me by my hon. friend is completely unfounded.

Mr. McCarthy: - The record will show it.

Mr. Foley: - Well, I think the Hansard will bear me out; but nevertheless, the words of the member for Qu'Appelle-Wolseley were causing so much consternation on the Government side that I may have misheard one or two of the remarks made by the Attorney General; but that is the meaning that we in the Opposition interpreted anyway, and I wouldn't be a bit surprised if it isn't fairly close to being correct.

Hon. Mr. Walker: - Mr. Speaker, on a question of privilege, what my hon. friend has attributed to me is not in any way close to anything I have ever said.

Mr. Foley: - I will accept the hon. member's statement. I find now that the remark was not made in this debate, Mr. Speaker; it was made a year ago in this House.

Hon. Mr. Walker: - Mr. Speaker, I want to say that that statement is not correct. I have never, at any time, made any such statement, and I ask my hon. friend to accept that.

Mr. McCarthy: - Let's get the records.

Mr. Foley: - I will accept it for the time being, Mr. Speaker, but nevertheless . . .

Mr. Speaker: - The hon. member who is speaking must accept the statement of the Attorney General unless he can substantiate what he has said.

Mr. Foley: - I will accept it, Mr. Speaker. I have attempted to reply to the charge that we in the Opposition have not been presenting constructive criticism of this administration.

Premier Douglas: - You have proved the point!

Mr. Foley: - The junior member for Regina was another who regretted the lack of constructive criticism from the Opposition, and she attempted to compare economic progress, mineral development and so on from 1944 to the present time, referring to the province of British Columbia which she admitted, of course, has a different type of economy. Again I am pleased to see mineral development in this province.

Hon. Mr. Brockelbank: - Not really!

Mr. Foley: - Really.

Hon. Mr. Walker: - Why don't you cheer up, then?

Mr. Foley: - The charge that the Liberal Opposition in this House is affronted by any progress in this province, I think, is a charge that is completely unfounded. We in the Opposition, I think, have consistently attempted to point out to this provincial administration

where we felt their policies were at fault, and if that is considered to be an affront, if that is considered to be regret of progress, then I want to suggest to the junior member from Regina that she investigate a little more closely the contents of some of the remarks we have addressed to the Government in this Session and in other Sessions. I want to remind her that we are loyal members of Her Majesty's Opposition and, regarding the remark concerning the three monkeys, that we in the Opposition covered our eyes, our ears and our mouths, that we see, hear or speak no industry. Mr. Speaker, while many answers come to my mind with regard to that unfortunate comparison, I just want to suggest that we are the 'watch dogs' of all the people of this province, and, regardless of what the junior member for Regina may say, that our eyes and our ears and our mouths are closed, I can tell her that they will all be used in the interests of this province in every way that we can see fit.

Mr. Speaker, there is much that one could deal with in the Throne Speech. I notice an editorial the other day, however, in 'The Leader-Post' concerning the Saskatchewan Government Insurance Office. I am interested in that office for several reasons; but it is most interesting to note that the Saskatchewan Government Insurance reported a surplus, last year, of nearly \$4½ million.

Hon. Mr. Walker: - That's not true, either.

Mr. Danielson: - Those are Fines' figures.

Mr. Foley: - This is an accumulated total. Nevertheless, the editorial stated that it was a surplus. Now, this is enough to cover losses on a scale comparable to last year and still leave a balance of \$150,000. Did we hear any suggestion about reduced insurance rates this year?

Hon. Mr. Walker: - You haven't been listening very carefully.

Mr. Foley: - I listened very carefully. I don't care to belabour the point at this moment, Mr. Speaker, but I am confident that, when the budget is brought down, we will have an opportunity to deal more fully with this matter.

A point I would like to make is concerning one form of insurance which I feel has been inadequate in certain areas of the province, and I refer to the present Wild Life Crop Insurance scheme. The purpose of the scheme, of course, is to give the farmers some protection from the hungry swarms of wild life which sometimes invade the valuable grain fields. In one municipality in the constituency of Turtleford – I am referring to Spiritwood municipality – it is estimated that, in the past two years, losses due to wild life depredation have amounted to somewhere in the neighbourhood of \$100,000. I realize, of course, that an estimate of this type is difficult and the figures may not be entirely accurate; but nevertheless, I think they do give some indication of the severity of this problem. Coverage, under the present scheme, is limited to \$20 per acre, which we feel is much less than the value of our cereal grains. It barely recompenses a farmer for his labour and efforts in many cases, due to the fact that the damage appraisal rarely

reaches the maximum.

There are a great many problems, of course, in appraising wild life damage to farm grains. The grain is often tramped into the stubble and cannot be picked up by the combine even though the heads may be intact. If this is the case, of course, the grain may germinate the following year, creating further problems for the farmer. The ducks damage the swaths making a combine operation inefficient. A number of things can happen so that the appraisal of the inspectors is often very inadequate, and the farmer, of course, must pay the cost. In other words, what I am suggesting is that, while they may have a total coverage of \$20 per acre of crop, the appraisal of damage may be given as 50 per cent, which lowers his compensation to \$10 per acre, and yet his actual recovery may be less. In other words, then, crop damage appraised at 50 per cent by an inspector may well reach 100 per cent in reality, and the farmer may have to bear considerable cost and considerable loss even though he is fully covered under the present scheme.

I do feel that something should be done about the present scheme. I feel that the coverage should be increased. I also feel that the period during which the premium is fully paid should be extended.

Hon. Mr. Walker: - The premium should be reduced, too, shouldn't it?

Mr. Foley: - I didn't say that, Mr. Attorney General.

Hon. Mr. Walker: - Do you admit that?

Mr. Foley: - I didn't say that. I am suggesting, in all seriousness, that something be done to increase the effectiveness of this very vital farm protection, especially in some of our northern areas. I don't know how it affects the southern areas, but I am familiar with the problem in the north. Criticism was heard, last year, in Crown Corporations Committee from all sides of this Legislature, concerning this problem and I felt that the time has come when it should be given consideration.

I think one of the most effective charges made by the Opposition in this debate has been the charge that this Government appears to have lost faith with the farmers of this province. I realize, of course, as a member of the Opposition, that not all the problems of the farmers are within provincial jurisdiction, but many of the farmers' problems come under both the provincial and federal jurisdiction. In spite of all the remarks of the hon. Minister of Agriculture (Hon. Mr. Nollet), it is difficult, I think, to justify such a small share of the provincial revenue going to the farmers of this province. I have, on past occasions in this Legislature, suggested that something be done to provide a scheme of farm credit for young farmers of this province to enable them to get started and to build up the family farms, because we do need the culture; we do need the young people with rural upbringing, to help balance the various cultural aspects of our society.

Premier Douglas: - May I ask my hon. friend if he is suggesting that these young people left the farm because the Canadian Farm Loan Board refused to take care of their credit needs?

Mr. Cameron: - You are not going to Ottawa again, are you?

Premier Douglas: - I am suggesting there is legislation there that is available. Surely my hon. friend is not suggesting that it doesn't operate.

Mr. Foley: - Mr. Speaker, it is difficult to comment on proposed legislation, and I will not make any further statements on that point. I have with me the legislation in Quebec and in one or two other provinces, and I will be interested to see how our own proposed legislation works out.

The matter of basic industries in this province has, I think, been well stressed by the Opposition. I have not yet heard any reasonable reply from the Ministers of the Crown explaining the lack of basic industries in this province. The Leader of the Opposition charged very effectively that we still lack a petro-chemical industry and, of course, we still lack a pulp industry. A year ago I called a pulp mill in this province a 'myth', and I see nothing to change that interpretation. It is still a myth. I regret this, not only because of the loss it has been to our provincial economy, but because of the rather poor publicity it has given our provincial economy in other parts of Canada. I want to quote, Mr. Speaker, from the December 1, 1958 'Leader-Post' which, in turn, quotes the 'Sudbury Star', and it says:

"Even if the socialist C.C.F. decide to stalk the country preaching of the great benefits brought to Canada by the C.C.F., there is a depression in C.C.F.-governed Saskatchewan and the depression is a state of mind.

"In the Provincial Legislature, a few days ago, the C.C.F. Resources Minister, the Hon. A.G. Kuziak, announced that a pulp mill would not be built. This was no ordinary pulp mill! This was the one that was hailed by the C.C.F. Government at the last provincial election as evidence of the expanding industrial economy of the province.

"There is a difference between C.C.F. promises and C.C.F. accomplishments. Alberta has two pulp mills; one was built quite recently. Manitoba has one pulp mill. Saskatchewan is the only Canadian province with substantial timber stand that does not have a pulp mill.

"There was a time when Canadian people used to listen to socialist doctrine; that is how the C.C.F. managed to get elected in Saskatchewan . . ."

Hon. Mr. Walker: - Four times!

Mr. Foley:

“ . . . Rosy promises made of green stuff moved the voters. Isn't it strange that the C.C.F. still uses this honey and syrup approach in spite of the miserable failures that have been charged up against the C.C.F. in Saskatchewan?”

Now, Mr. Speaker, it is just a year ago that these headlines made the local paper: “Angry Charges Hurlled; Fines says he will quit politics.”

Hon. Mr. Brockelbank: - That made you happy, all right!

Mr. Foley: - I notice he is not in his chair at the moment. However, in spite of those remarks I will not be surprised if he returns before the next election.

Hon. Mr. Walker: - It's almost a sure thing if he runs.

Mr. Foley: - I wonder how much of that statement he actually meant, Mr. Speaker. Did he really mean what he said, or was he attempting to be sensational?

Mr. Cameron: - He was under duress.

Mr. Foley: - Because, Mr. Speaker, I just want to suggest that if he dares, in view of the economic situation in the province, to bring in a deficit budget, I wonder if, possibly at that time, his predictions of a year ago might come closer to fulfilment.

Premier Douglas: - Why not wait till we get to the Budget before you start predicting?

Mr. Foley: - And so, in closing, I hope that, in the next few days of debate, the Ministers of the Crown will stand up and reply to the criticisms levelled at their administration by the Opposition members; that they will not attempt to gloss over all of their shortcomings and inadequacies with loud words and 'holier-than-thou' statements; that they will pick out our criticisms one by one; that they will tell the farmers of this province why they are increasing the taxation in every way they can.

Hon. Mr. Nollet: - Here we go again!

Mr. Foley: - I hope they will tell the people of this province why they must always turn to Ottawa and never to their own administration. I will be looking forward, indeed, for their explanation of this economic prosperity the hon. Minister of Agriculture talks about. They should make some effort to do the job that they were elected to do and which they have, in my estimation, failed miserably to do in 14 years in this province. I will not support the motion, but I will support the amendment.

Mr. Fred Neibrandt (Yorkton): - Mr. Speaker, I think it is in order if you will allow me to congratulate the previous speakers who have taken part in this debate, this afternoon, especially the Minister of Agriculture (Hon. Mr. Nollet). I think probably, today, he has vindicated the confidence that the people, and especially the farmers have in him more than on any previous occasion. I want again to join in the congratulations and tributes that the hon. member for Souris-Estevan (Mr. Thorson) paid him, the other day.

The hon. member for Turtleford (Mr. Foley) invited replies to the criticisms originating from the various members on the other side of the House, just as if they were genuine criticisms, leaving the implication that they really have genuine criticism to make. A little while ago he tried to criticize the policy of this Government with respect to the grid roads. I don't think that you can persuade the farmers in any municipality that they are getting a bad deal. As a matter of fact, in my own area they appreciate the policy of this Government with respect to sharing in this wonderful program whereby we will add another 12,000 miles of all-weather roads when this program is completed.

Govt. Members: - Hear! Hear!

Mr. Neibrandt: - The hon. member for Turtleford, too, in defending and coming to the assistance of private enterprise, inferred that we on this side are opposed in all aspects to private enterprise. I don't think there is a member over here who has ever been critical of private enterprise when it was in fair competition and based on the law of supply and demand. That is the very law that has been defended every time they endeavour to criticize us for being opposed to private enterprise. They claim private enterprise is superior because it is based on this nebulous law of supply and demand.

I wish that members opposite could have been with me a couple of weeks ago, after the New Year, in an industrial centre in the United States, where I saw some of the industrialization that is going on over there. The investment per worker is simply fantastic. I venture to say that some of the factories that are making automobiles have an investment per worker of \$20,000.

Mr. McFarlane (Qu'Appelle-Wolseley): - I thought you were opposed to that.

Mr. Neibrandt: - They are resorting more and more to automation, and it is simply fantastic how little private enterprise you find in a modern automobile plant, these days. I cannot, for the life of me, see where private enterprise can be defended when no distinction is made between corporate enterprise and private enterprise. I honestly believe that there are some members opposite who really don't distinguish between these big corporations that are sapping the life-blood of the workers today, due to the fact that they have resorted to such huge investments to put in automation to take the jobs away from the workers. That is a fact. There are

in the automotive industry in the United States, today, 180,000 less workers employed than there were 10 years ago, producing a lot more cars and a lot fancier cars, and if labour would not get their fair share in this age of automation I don't think the industry would be pulling themselves out of the depression the way they are doing at the present time. It cannot be denied. The automotive industry in the United States, this year, plans on producing 7,000,000 units, and they are going to produce them with 180,000 less men – at least 180,000 less men than they ever had before; and they will be producing a lot more cars than they ever produced before. How can you come to the defence of private enterprise, at all levels, when we know that there is no such thing as private enterprise in these big corporations; and it is that way whether it is in the automotive field or whether it is in the steel industry that you may consider. However, I did not intend to branch out into this when I got to my feet, except that I wanted to make it clear, that insofar as I am concerned, private enterprise based on fair competition has never been criticized on this side of the House as far as I am aware.

The hon. member for Turtleford made the point that there was only a small share of the provincial revenue allocated to agriculture. I have already mentioned the grid road. The grid road could be considered as part of the budget as it certainly pertains to the rural people; and since we spend 60 per cent on social welfare, health and education, which affects just a little less than 50 per cent of the agricultural people here in Saskatchewan, it cannot be claimed that this budget doesn't take into consideration the welfare of our rural people.

Mr. Speaker, before entering fully into this debate in support of the Address in Reply allow me to congratulate the mover and the seconder on their most commendable presentations, both the member for Bengough (Mr. A.L.S. Brown) and the member for Kerrobert-Kindersley (Mr. Johnson) have proven themselves to be very able and versatile spokesmen. Both of these gentlemen are agricultural graduates and practical farmers, who are keenly aware of the farmers' problems and the plight of our primary industry.

I want at this time, too, to most heartily congratulate their respective constituencies on their choice of these two capable men to fulfil the important function they do. I think the people of their respective constituencies displayed good sense in sending these two members here to conduct their affairs. As long as this Government legislates for the people, with a people's program, we will continue to enjoy good government in this province.

Last year on the floor of this Legislature, I expended a cordial invitation to all members to attend the various celebrations we were going to have in Yorkton for our 75th Anniversary. We had a variety of programs, all of which emphasized the occasion and which were a tribute to our pioneers. The 5th International Documentary Film Festival was of international importance. In this connection I would like to pay tribute to the Hon. Russ Brown, under whose Department the film, 'The Story of Natural Gas' was made available to Yorkton for this Festival, where it had its premiere showing. I want to say that this film was very well received, and the fact that the two principals

in its production originated from Yorkton added a local touch of interest. I would highly recommend to this Assembly that the filming and distribution by this Government of the story of the steady progress within the last decade is unique only to Saskatchewan, and I am sure that hon. members are agreed that there will be no dearth of good subjects.

Another event we had to celebrate our 75th anniversary, was a Summer Institute of Public Affairs. I should mention here that great credit is due to Gordon Campbell, the Director of Adult Education, and to Professor Wyrich of the Extension Department of the University, who arranged such a very interesting program, the theme of which was a 'Decade of Decision'. I am sure hon. members will be interested to know that our Minister of Mineral Resources (Hon. Mr. Brockelbank), as a panelist, not only brought distinction to himself, but also this Government. I am sure that the people of Yorkton and district who heard him are now more fully appreciative of the fact that the mineral resources of this province are our heritage and are being developed in the interests of the people.

Other events, such as our Annual Fair, last summer, and later the Historama, sponsored by Pioneers, a branch of the Western Development Museum, received wide local support. During the Fair a 75,000 grandstand was dedicated. At about this time we celebrated the opening of our TV station. This all added to rounding out a very fine celebration. I notice in the Throne Speech that microwave installations are going to be added northward and will bring this service to the people of the Yorkton district so that we may have live TV programs that emanate from the CBC.

I don't know how many members availed themselves of my invitation, but I know and feel sure that those who visited us found the people of Yorkton and district most co-operative, friendly and congenial. It takes more than just good government to make democracy work. It takes the combined effort of a lot of people whose various talents are combined on a community level to help give purpose and meaning to our democratic way of life. I am glad and proud that Yorkton has a just share of fine people, who really are the unsung heroes in any community.

The Premier, when he was talking to the University students, stressed the fact that although we may, through the extension of science and technology, conquer outer space and solve our material problems, without the application of the Golden Rule and without due emphasis on such intangibles and ideals as duty and love and friendship and loyalty, humility, integrity and God, life would lose its purpose and meaning. I believe we all subscribe to those fine sentiments. I want to say, too, that we have a Government which gives priority to these ideals; and we have many, many people in every community who not only subscribe to these ideals, but put them to practical application on a community level. That helps to restore one's faith in the community and in the people, and makes one proud of his community of which he is a part.

Mr. Speaker, I note that the time has gone quickly, and I suggest that we call it 5:30.

Resuming at 7:30 p.m.:

Mr. Neibrandt: - Mr. Speaker, before I finished speaking at 5:30 I was dealing with the emphasis on the Golden Rule and high ideals of life, and how those things had brought meaning and purpose to living in our communities. I was thinking, particularly, of those people in Yorkton who, by example in leadership, did and are doing so much for the common well. I am proud, particularly of the record that we have with our young people, especially as it pertains to the incidence of juvenile delinquency, which is one of the lowest on the North American continent, in spite of the fact that we have no Y.W.C.A. or Y.M.C.A.

I do not accept the criticism of the Opposition with respect to the Training School for Boys that we have set up. I am proud to be a member of a government that assumes their rightful responsibility for juveniles, who more often than not, have become the victims of a delinquent society, not of their own making. I would like to mention the leadership and co-operation that was brought to bear in bringing to fruition the Anderson Home in Yorkton, and which was officially opened by the Premier and the hon. Minister of Social Welfare (Hon. Mr. Erb) last spring. The fact that we are the only government in Canada that has such a project for senior citizens emphasizes that we on this side of the House have the best interests of all the people at heart, and we certainly don't forget our pioneers as other provinces do. Our home for senior citizens will ever remind the people of Yorkton that they can rely on the C.C.F. to fulfil their obligations to their fellow men, and I am mighty glad that the Speech from the Throne forecasts the extension of this program.

Another project that comes to mind is the present promotion of a school for the mentally retarded and handicapped children initiated through the leadership of our Mayor in co-operation with the Lions Club in Yorkton, together with the Saskatchewan Mental Health Association. These schools qualify not only for capital grants, but also for educational grants from the Department of Education, and it supplements the fine program that we operate for these unfortunate children at our Training Centre at Moose Jaw.

Something of which I am really proud is that, through selflessness and working for the common good, under good leadership, we are at long last getting our hospital difficulties resolved which, as members know, have been dogging our footsteps for so long. Mr. Speaker, you will recall that capital grants were substantially raised last year, and this has gone a long way in helping to resolve our difficulties. This spring will see a start made on a new 150-bed hospital. I should mention, too, this Government's program for our aged and mentally ill which Yorkton looks forward to with hope for fulfilment in the future, by setting aside some 10 additional acres for the purpose of building a mental hospital and a geriatric centre. The fact that we lead Canada in health services, which are being further extended this year, as the Throne Speech indicates, is another prime example that this Government puts to practical application the high ideals we espouse.

Last but not least, I want to mention an experiment undertaken by public-spirited citizens of Yorkton. It consists of an endeavour to aerate the cold waters of York Lake which at the present time have been depleted of

their oxygen content. They are doing this in order to see if fish wouldn't be better able to survive our long winters. I am, of course, eagerly waiting the conclusion and result of this experiment. I believe it is an example of these citizens reciprocating in kind to the sympathetic help and understanding that they have received at Yorkton in not only bringing power to the resorts, but also co-operating in making York Lake the ideal playground and recreational centre that it is.

The foregoing short account, Mr. Speaker, briefly recounts some of the things that add meaning and purpose and interest to living in Yorkton, and it is the result of community effort, good leadership and good government. I am proud of the record of this Government and of the people whom I have the privilege to represent.

I should also mention the outstanding example of community effort which was accomplished by our local A.C.T.] in that they have won, for the sixth consecutive year, the Eilers Trophy, emblematic of the most money raised per capita for our T.B. Sanitoria. I think it is a record of which we can be justly proud, and more so in view of the fact that, in the 25 years since its inception, the Yorkton A.C.T. has won this trophy 13 times.

I should mention, too, that Yorkton expects a record year in construction. I believe it is welcome news to all of us, especially to the unemployed. This year will see a commencement made in two separate elementary schools and a high school for the Larger School Unit. Only through the Larger School Unit is a building of this type of this high school possible; and only through the Larger School Unit is it possible to extend equal educational opportunities to our farm young people. This indicates this Government's vision and foresight in implementing The Leader School Unit Act. Our good friend, the member for Souris-Estevan (Mr. Thorson) and others, have mentioned that, according to the forecast in the Speech from the Throne, we will be extending scholarships to supplement the student loan fund so that no student now in Saskatchewan needs to be denied a University education. Also I am in full agreement with, and welcome, the announcement, in the Speech from the Throne that \$100,000 will be made available for a Driver Training Course at our high schools.

The potash plant at Esterhazy is scheduled to come into production this summer. Last fall, I had the privilege of paying a visit to the installation there, and I was really amazed at the permanence of the installations. They tell me that they will be mining potash over there for several hundred years, and I feel certain that the headframe will be a symbol of the fact that this Government is promoting the development of our natural resources; and there is a certain amount of poetic justice in the fact that this potash plant is located in the Saltcoats constituency.

This summer, too, will see gas brought to the city of Yorkton. The sign-up response is enthusiastic, and we are awaiting the day when we will have this cheap fuel available at a price that is just about the same as it is in this city. We are looking forward to the time when this will result in some industry for Yorkton. The foregoing, of course, was mentioned in the Speech from the Throne, and I don't think that too many of the people in Yorkton are

going to be mad because they are going to get this economical fuel one-third cheaper than would have been the case had we had anything else but a C.C.F. Government.

Mr. Gardiner (Melville): - Says who?

Mr. Neibrandt: - We still need a building to house our Western Development Museum. No doubt all hon. members are familiar with the Pioneera. In Yorkton, last year, for our celebration, this was named appropriately 'The Historama' and is a branch of the Pioneera, which is a branch of the Western Development Museum. I predict that Pioneera will take the place in Class A and Class B fairs, of the midway; and no other place on the North American continent has such a complete museum depicting the past era of our pioneers. As time goes on the material and educational value will, of course, increase. Much credit is due to the foresight, not only of this Government but also of 'Joe' Phelps in having initiated this worthwhile project.

We need a regional geriatric centre and a mental hospital and a Government office building. These are, of course, being actively considered on the local and provincial level, and I hope that our economy will soon permit a start in their fulfilment. I feel certain that our hope in achieving this is better under this Government than it would be under any other government.

I heartily endorse and concur with what my good friend from Kerrobert-Kindersley (Mr. Johnson) said in seconding the Address in Reply, when he referred to how much this Government's policy has contributed to our better standard of living. It cannot be denied that the policies of this Government in the fields of health, welfare and education have immeasurably boosted our standard of living to a better standard of living. Bringing power to my farm, for instance, and a grid road that leads to a paved highway have brought amenities of life which wouldn't have been possible under any other government. So much so, as a matter of fact, Mr. Speaker, that all my persuasive ability – and I don't think that I am the worst salesman in the world – failed in dislodging Mrs. Neibrandt from the comforts of her home to come over here for the life of this Session. I shudder to think what our relative standard on the farm would be, today, had it not been for this fine program initiated by the C.C.F. Government.

The same forces – efficiency, technology, science and greater know-how – that have recently been witnessed in industry, and which result in vertical integration and automation, are the very forces that now make an impact upon our agricultural economy, resulting in the present restlessness, the apprehension and the fear with which our farmers are plagued, and which has manifested itself in the current 'March to Ottawa'. Closing our eyes to reality will not help; and though I am in full agreement with the motive that inspired this march, as responsible citizens we have to give leadership and direction to a long-term program for agriculture and recognize that deficiency payments, however justifiable, are merely a stop-gap and not a permanent solution.

The Minister of Agriculture (Mr. Nollet), this afternoon, outlined in some detail the problems of our agricultural economy. Our Premier, in his speech, last week, touched on this very problem and also on contract farming and vertical integration, and suggested how we might meet this change in the complexion of our agricultural industry. I believe this subject is not only timely, but very vital to our agricultural society and our rural way of life.

How labour is attempting to meet this changing status in industry is well known although not fully understood nor appreciated. We are sometimes prone to not give labour its just due. I have already mentioned that I am thoroughly convinced that had not labour demanded and received a fair share in this age of automation, instead of there being a dynamic recovery in the automotive industry in the United States they would still be in a morass of depression.

I commend my friend the hon. member from Moose Jaw (Mr. Heming) on the stand for labour which he has consistently taken; and I admire the foresight and leadership of men like Walter Reuther of the United Automobile workers in his foresight and leadership. My hon. friends would appreciate that if they, like me, had worked 24 hours a day in an automobile plant. That was before the advent of Walter Reuther. I trust that through his vision and dynamic personality and leadership labour will continue to reach ever greater emancipation, with a bigger voice in management, to the end that the spectre of unemployment will be forever laid low. Walter Reuther, though beaten and bloody, never bowed; and as a result, workers in the automotive industry, today, have a share in automation. Today he stands as a symbol of hope and inspiration to all workers in all industries throughout all the world. And well we might give heed to the fact that our industrial labour force, both here and in the United States, are farmers – good workers; and a big percentage of our children, in the future, whether they like it or not, will find themselves in industry, and their future welfare should be our concern now. Perpetuating the lie that labour is our nemesis and that our interests are not common, I hope will only serve to hasten the inevitable amalgamation of those that earn their daily bread with their hands.

I want to say this particularly to the hon. member from Meadow Lake (Mr. Weber), and I regret that he is not in his chair. I trust that the talents of our Premier, which have been the annealing force in rallying the people of Saskatchewan behind the people's movement, can be the catalyst that brings about the amalgamation of the greater forces in a Co-operative Commonwealth Federation and be the forerunner of peace and plenty for all mankind.

Mr. Cameron: - Who wrote that?

Mr. Neibrandt: - Mr. Speaker, I will be supporting the motion.

Mr. W.G. Davies (Moose Jaw City): - I should like to congratulate the mover and the seconder of the main motion, and also all others who have taken part in the debate up to this time. That doesn't mean, of course, that I have agreed with everything that has been said on the other side of the House, but I do, in a general way, wish to extend congratulations to everyone who has thus far spoken.

I would like, in the first instance, to say something about certain items that are mentioned in the Speech from the Throne with reference to my own constituency; things that are of direct interest to Moose Jaw. First of all, I think the overall program that will help us most in the future of Moose Jaw is the construction of the South Saskatchewan River Dam. Hon. members know that the residents of Moose Jaw have been among the most active in this province, in calling for the building of the South Saskatchewan River Dam. We feel, in our community, that there are great possibilities bound up in this project; first of all, of course, because there will be a better, a more stable agriculture in the immediate area; secondly, because of the further expansion of power sources, of water sources; and finally for the kind of recreation expansion that will assist us all in this province in helping the tourist industry. We hope that in Moose Jaw we will become known as the 'Gateway City to the Dam', and in the years ahead, I am sure that we will see the good results of what this Government has done in promoting the Dam. I don't think there has been any other force in this country that has been so consistent and so aggressive in advocating the building of the South Saskatchewan River Dam, and I am sure that, if it had not been for this Government, the steps that have been taken today to see that it would be built would not have been carried out.

We, in Moose Jaw, are pleased, of course, with another development that is, obviously, the new Provincial Technical Institute – in Moose Jaw. We are proud to be the community where these buildings will be located. We are going to have, finally, a total of up to 1,900 students – students that will make Moose Jaw the centre for highly trained artisans and technicians in the province. This factor alone, we think, will mean that, in the future, industrial development in the community will grow and grow again. Not only do we think that the Institute is going to help our own community, our own young people. We believe that this is going to help the whole province including the farm regions adjacent to the city.

I think it is worthy of notice at this time, that Moose Jaw fared very poorly under the old Party Government. Mr. Speaker, we had very little recognition in the way of buildings of this kind. Since the advent of the C.C.F. Government in this province, we have, of course, seen the Training School located in Moose Jaw with 500 employees carrying on a very excellent and necessary work; and now the Provincial Institute. On behalf of the community, I would like to express the appreciation of our citizens for remembering that Moose Jaw does exist, and locating these two fine buildings in our area.

I want, in this connection as well, to say a word of thanks to the Minister of Public Works (Hon. C.G. Willis) and to the Minister of Education (Hon. W.S. Lloyd) first, for expediting the beginning of the construction of the Technical Institute, and also seeing to it that a large part of the construction is in the winter months. Speaking more generally, of course, we know, from the Minister of Public Works, that over half of his budget for his department during the current fiscal year is in the winter months. I think that recognition is a tribute to the Minister and to the Government.

On another aspect, I note in the Speech from the Throne that further assistance is to be given to an urban roads program. We know that this was begun last year, and I am very glad to see that this assistance is to be continued. I hope that it will be possible, when revenues permit, to see an even more substantial addition to this program, which is very, very much needed.

On the same lines, the forecasts of substantial increases in operating grants for our schools is something that is going to be particularly appreciated in the community of Moose Jaw; also the forecast of further assistance in the expenditures for financing of schools. This is particularly timely in my city because, at the moment, we are building a new high school at a cost of approximately \$1 million. I'd like to gratefully acknowledge here on behalf of our citizens, the grant that has already been made available, and to hope that perhaps the coming budget will reveal something even more promising in this connection.

In speaking of this question of education, Mr. Speaker, it does seem to me that, before we are going to have a truly Canadian standard of education – not merely a standard of education for people in Moose Jaw or people in Saskatchewan, but for people all across the country – we are going to have eventually to get a substantial measure of Federal aid for education. I think I said in this House before that, in rough terms, about 20 years ago the Federal Government of this country received approximately 40 per cent of the total revenue from taxation, hidden and actual. That figure today has roughly doubled, so that the 4600 odd local governments and the 10 provincial governments are now having to get by in their total expenses – let alone education expenses – on a 20 per cent of tax revenues or an approximation of that figure. I say again that, if we are going to have a system of education in Canada that affords ever young Canadian uniform opportunities, we are certainly going to have to have the greater Federal aid which we have talked so often in this House.

I would like to say a word about the Saskatchewan Power Corporation which has already been mentioned quite often by other members of the House during this debate. I would like to commence by saying that I am encouraged and thankful for the continued expansion of the Power Corporation program. I am encouraged by every development whether it is a development urban-wise or rural-wise, because every part of that development is contributing to the economic health and future of the province.

I would like to give you my own experience with respect to the provision of natural gas in my community. I was adding up the bills that I've had for heating my home with natural gas for 12 months, and I found that my bills were exactly one-half of the expenditures that I had made for coal in the previous 12 months before I had installed natural gas. I think that that kind of saving is reflected in every business, and in every home in the city of Moose Jaw. I don't know if anyone has made any detailed examination, but I should judge an estimate would be that, conservatively, the citizens of my city have saved, during the past year, a total of some \$300,000 because of the gas program in my city.

Criticisms have been heard from Opposition speakers about the rates of the Power Corporation. It seems to me, in this, abundantly clear that they are following an inconsistent and a wavering policy in the nature of the criticisms that have been advanced. It seems to me that, in this Legislature, we are told that rural rates for electric power are too high and that the urban rates are too low. Then, we are advised here that these urban rates are too high – at least that is the only logic that I can take from the remarks of the members opposite.

Mr. Danielson (Arm River): - That isn't what we said.

Mr. Davies: - If there is any difference of opinion on this question, I would ask the hon. members opposite to consult 'The Leader-Post' item of November 19, 1958, in which a statement is made by the vice-chairman of the Saskatchewan Liberal Federation, Mr. Ross Thatcher, with the approval of the hon. Leader of the Opposition, in which he criticized all of the rates of the Saskatchewan Power Corporation, both rural and urban. I say that the distinction that is drawn in this particular press release (and I don't wish to burden you with it all, Mr. Speaker) is simply this:

Mr. McDonald: - Read it!

Mr. Davies: - Well, perhaps a portion of it might well be read, Mr. Speaker.

Mr. Danielson: - Go ahead.

Mr. Davies: -

"The former member of Parliament for Moose Jaw said that the rate reduction made by the firm – that is the National Light and Power – since 1930 was one more indication of the efficiency of private enterprise compared to socialistic government enterprise."

Opposition Members: - Hear! Hear!

Mr. Davies: - He went on to say, "anyone who studies the two rate structures cannot help be shocked by the fantastic differences. The S.P.C. simply fails to measure up".

Now what is he comparing, Mr. Speaker? He is comparing a Moose Jaw firm that has 5 per cent of its total customers in the rural area, with a province-wide public power corporation that has 50,000 rural customers spread approximately over the same number of miles – about 50,000 miles of transmission lines. I say that it is an impossible and an intolerable type of a comparison that can't hold up in the mind of any reasonable person.

Mr. Danielson: - Read it all!

Mr. Davies: - The news item is available to any who want to read it, and I am sure anyone will come to the same conclusion as I have. It seemed to strike me that the remarks of the vice-president of the Saskatchewan Liberal Party were entirely bound up with the criticism of a public power corporation. I wonder what would happen in this province were the C.C.F. Government to be supplanted by a Liberal Government.

Mr. Korchinski (Redberry): - It would be a pretty good Government.

Mr. Davies: - I say that the Saskatchewan Power Corporation, a public power corporation owned by the people of this province, would be in real danger of being handed over to, or dismembered by, the private corporations that would be here just as soon as the C.C.F. lost power.

Mr. Danielson: - Who started this Saskatchewan Power Corporation?

Mr. Davies: - Now, Mr. Speaker . . .

Mr. Danielson: - He wasn't around at that time.

Mr. Davies: - Turning to another aspect of the Throne Speech, I would like to favourably comment on the changes in labour legislation that have been promised. I think these changes are in the right direction. I think that, first of all, the changes in The Workmen's Compensation Act are timely. Certainly more than timely in my opinion again is the announcement that ex-parte interim legal injunctions will be abolished by legislation in this House.

Another part of the Speech from the Throne announces that legislation is to be introduced to reduce the municipal contribution of the capital costs of low-rental housing accommodation. I am very gratified to see that this legislation is to be brought down. I only hope that the city councils that are concerned with this sort of housing legislation, will take the necessary initiative that is called for by the legislation, to see that something is done in their communities to make for new home-building projects. I speak with some knowledge about this subject because, for a matter of six years, I was the chairman of the city council housing committee in Moose Jaw, and during this period we were successful in organizing the first low-rental housing project in the province, and later in organizing a land assembly scheme which is now successfully in operation.

I am interested in the legislation for housing for a number of reasons' and, of course, one of the most direct reasons is that of making further employment.

I think we all know that unemployment in Saskatchewan is proportionately not as high as it is in some other provinces. Nevertheless, it is admittedly grave and serious. Any home building, especially home building under a public plan, such as will be talked about in the legislation, is a benefit in many ways in alleviating unemployment and making jobs. It is said that there is no other activity in the country that will make for some employment than home building construction.

I think that we might visualize an example of what could happen under this legislation, providing the local initiative that I have spoken about is forthcoming.

Let us suppose that the province needs, in its urban areas, a total of 10,000 homes. In passing may I say that in my opinion, this is a conservative estimate of what is required. Let us also assume that because of savings that can be effected in bulk building it is possible to construct each one of these homes for the sum of \$10,000. This would result, of course, in a total capital cost involved of about \$100 million – a lot of money. But of this, under the National Housing Act, the Federal Government would supply \$75 million; the Provincial Government would provide \$20 million, and the local governments concerned only \$5 million. In respect of that last figure, a great deal of it could be offset by the contributions of raw land in each community.

I would point out that this is not an expenditure that may not be recovered. This housing is built under a self-liquidating plan, so that the money spent is eventually recovered. I suggest that this kind of activity would generate the sort of vast program which would substantially eliminate our jobless problems in Saskatchewan. I don't, of course, claim that it would completely eliminate them; but I would say it would very substantially alleviate the unemployment problem that we know today, and I say, too (and I think this is important) that it would save us from the huge losses we are now suffering in loss of production because people are not able to work.

I think, too, that we can look at it in another way – that we are not only supplying homes for people, to provide for employment; we are actually doing a great deal in the fields of mental health, crime, juvenile delinquency and in the alleviation of plain unhappiness that results because of substandard housing at all, in some instances.

I have said that the initiative for this kind of a plan lies with the local authorities. It seems to me, though, and I offer this as a suggestion, that something further might be done by the Government of Saskatchewan. It seems to me that what is needed is a Provincial Housing Authority an authority that can make investigations with local governments, assist

them in housing surveys, which are now to become the financial responsibility of the senior governments, and to make an overall centralization that would increase the tempo of public housing in this province.

(During this time, Mr. Davies continued respecting the unemployment situation. He said that the lay-off at A.V. Roe Company of Toronto of some 14,000 employees was equivalent to the number of persons the Federal Government claimed to have put to work under the Dominion-Provincial-Municipal Water Work Scheme. He contrasted Canadian unemployment with Britain, where with three times the population, there was only about the same number of jobless.

Mr. Davies said that in constant value, per workman industrial production in Saskatchewan had leaped 724 from 1944 to 1957. In the same period, also in constant value terms, wages rose only 42.5 per cent. There was here a substantial lag in buying power and “fair shares”, he said.

Labour had endorsed the demands of Western farmers and wanted more farm prosperity. But, he said, labour also was badly off. He gave figures to show that 49.1 per cent of employee taxpaying, sections in 1955 – 2,017, 550 people – earned gross wages of less than \$2500 in that year.)

I say that the inflation that we know today is not caused by the high cost of labour. There is just not enough buying power. The stores today are bulging with consumer items, and when they are not being sold, I don't know how we can talk about inflation. Inflation is always classically portrayed as too much money pursuing too few goods. Does that position exist today? I suggest that it does not. I suggest that, apart from everything else, we have lost over the last two years, an estimated \$2 billion in purchasing power, as a result of curtailed industrial capacity.

The hon. member for Yorkton spoke, this afternoon, respecting some figures, and mentioned the automobile industry. I think it is worth noting that the Senate Judiciary Sub-Committee on Anti-Trust and Monopoly, whose report was filed only recently, found that the profits of General Motors have actually equalled, in each year, over a given period of years, the amount spent on labour costs. One year (1958) before taxes, earnings reached an astronomical 77.4 per cent.

The important thing here, I think, perhaps, is that General Motors Corporation, according to the report of this Committee, took net profits, after all taxes, all depreciation, all everything equivalent to the wages of each man in the industry. Again, those facts can be checked, and I would be very pleased to supply them to any Members of this House.

I happened to be reading, this afternoon, the magazine 'Newsweek' of February 19, 1959. They say this – further to what the member from Yorkton said this afternoon:

“The Ford and General Motors Companies in the United States, in December, 1958, produced 60,000 more cars than they had in December of 1957, with 33,4500 less workmen employed in those concerns.”

I say there is nothing that makes the problem more evident – the onward march of automation and the need for some sort of a planned economy to counteract the abuses that it is leaving in its trail.

The hon. member for Meadow Lake (Mr. Weber) said, at the beginning of his comments in the debate, that he could not imagine more incompatible groups than the labour and farm segments in this country. I submit, Mr. Speaker, that the figures and illustrations I have given in this House shows that there is a compatibility, and there is a compulsion for co-operation on the part of these two groups. Perhaps this could be illustrated better. There are six million people estimated to be in the Canadian labour force, including all the wage-earners, employers, professional men, and all the farmers. An estimated $4\frac{3}{4}$ million people of this group are wage-and-salary earners, while there are approximately 700,000 farmers in this group. That should come to a section of approximately $5\frac{1}{2}$ million persons who are wage-and-salary earners and farmers, out of a labour force of six million.

When we talk about this amorphous word 'The Canadian Consumer', who is the Canadian consumer? It is this $5\frac{1}{2}$ million persons. What kind of a political party can we generate in this country, if it does not base itself on the greatest number of people in this country? What are we going to base it on, if we don't base it on that? I think it is a big reason for an interwoven interest between the farm and labour sections. I say it is not only feasible for the two sections to co-operate, but that economically and politically it is necessary for the sections to co-operate in their own self-interest. Apart from their own immediate self-interest, it seems to me they have to co-operate if they are going to continue to exist at all.

One of the features of our economic life which, it seems to me, exasperates continually the farmer, is the spread between what the farmer sells his product for, and what it is sold for on the retail market. You know, and I know that quite often it is said that the reason for all this is because the people in the retail trade and the workers are getting too much money. This is said to be why the farmer isn't getting a sufficiently large share.

I think it might be of some interest for this House to know that wage and salaries paid to store employees in Canada, as a percentage of the total sales, actually dropped from 1946 to 1956. Wages and salaries, as the percentage of sales in 1946, were 6.5, and in 1956 they were 5.9. It is interesting to note that chain store profits in Canada, on the sales dollar,

are much higher than they are in the United States, and we are wont to think that there the industry is much more centralized. An article in 'Fortune' magazine not so long ago, gave figures showing that the profit margin of Safeway Stores in this country is twice as high as in the United States. Of course, the percentage paid to employees in this country is also less. Again I say that both food workers and farmers have apparently not reaped the gains of the higher prices in food products, and I don't think that the consumer has, either.

Mr. Speaker, I have been on my feet for some time. I would like tomorrow to say something further in respect of other parts of the debate that has gone on up until this time, and I would like to beg leave to adjourn the debate.

(Debate adjourned)

SECOND READINGS

Bill no. 24 – Enforcement of Small Claims

Hon. Mr. Walker (Attorney General): - Mr. Speaker, this is a Bill which was promised in the Speech from the Throne, a year ago, but which is now coming to the Assembly. It provides for an inexpensive means for people who are not situated in a judicial centre, or a centre where there is not a resident district court judge, to press a claim for debt or damages for amounts up to \$200. It provides that the claimant or plaintiff must go to the magistrate, and make out a prima facie case for his claim. Having done that, the magistrate issues a summons, and the magistrate also sets out, in various brief form, the particulars of the claim for the benefit of the claimant, and the claimant or his agent or any other person may then serve the summons on the debtor. Default judgment may be given in the failure of the debtor, up to \$200. Counter claims may be sued, as long as the net balance claimed by the defendant does not exceed \$200.

It is provided that there is no prohibition against parties bringing their solicitors to act for them, but, at the same time, it is prohibited to recover costs for services of solicitors against the losing party, so that in most case, parties will be under no disability to appear before the magistrate without solicitors.

It is hoped that, if the spirit of this measure is adopted, the proceedings will be very informal. It is true that the magistrates may wish to swear in witnesses, and having done so, it is hoped that the proceedings will be very informal; that the parties will sit down around the table, and, under oath, testify to their story, and the magistrate then gives judgment.

The reason for the legislation is that in a great many cases of small claims of under \$200, claimants allow their claims to go by default. They believe, and reasonably, I think, that today it isn't worth their while

to go to a lawyer for a matter involving less than \$200. In fairness to the legal profession, I should say, that almost without exception, they will take these trivial cases even though the fees do not begin to compensate them for the time they spend on them. It is, however, somewhat of an imposition on lawyers, and it is rather wasteful to have two lawyers and a judge spending half a day or even a day (as it is sometimes lengthened out to when you get a formal proceeding going), to settle a matter that really isn't worth as much as the income of the three of them. It is hoped by having one lawyer sit down with the two parties and hear their story, that very often the matter will be settled with that amount of informal hearing, and informal adjudication.

It may be feared that such machinery would deprive someone of his full rights under the law – the rights which he would enjoy if he were appearing before a superior court, or a district court, because of possible mistakes, or possible injustices which might be done as a result of this rather casual and informal procedure. I point out, however, that the rights of the parties to go before a district court judge is preserved, by way of appeal. From there the loser appeals to a district court judge, so that the parties have not lost any of their present rights.

It is, I think, sort of an informal, pre-trial, economical way of perhaps settling the many disputes which would otherwise go to the courts for settlement, or which would otherwise be abandoned by litigants who have a right to have justice done, but who feel they cannot afford the cost of having it done in a judicial way.

I believe, Mr. Speaker, those are the important principles involved in this Bill, and with that explanation I move this Bill now be read the second time.

Mrs. Batten (Humboldt): - Mr. Speaker, I fear very much that this is another case where the Attorney General, although ambitious, and no doubt motivated by the very highest of motives, is going to make another blundering mess of the procedure, as we have been witnessing in the past month and a half, in a number of other courts. This is a case where the hon. Attorney General came before this House, and told us that 90 per cent of the trial work in the province of Saskatchewan is being done by the magistrates; that they were overworked, that he could not find enough properly suited personnel, that they were not looked up to highly enough, so that they did not feel like entering into this particular sphere of work; that it was difficult to get capable lawyers to act; that we weren't paying them enough, and so on and so forth. On the other hand he said that district court judges did not have enough to do; that they were living in semi-retirement and needed more work, and that we needed fewer judges, and so on. He was going to save the people of this province a lot of money, and he apparently intends to do it by giving the magistrates so much work that it will be absolutely impossible for them to carry on, unless he intended to double the number he has in the province now, at a cost of approximately \$8,000 to \$9,000 (perhaps more) per magistrate.

A district court judge costs the people of this province \$2,000 . . .

Hon. Mr. Walker: - Less than that.

Mrs. Batten: - Less than that. Well, that's what it should cost; but it is less now, because they have cut down the amount that they pay for the surrogate court work. The balance is being paid by the Dominion of Canada. So we are reducing the number of district court judges, who are men of very high calibre – there has never been any question about that; men who, according to the Attorney General, didn't have enough to do. Is there any reason why this type of civil jurisdiction should be taken from their hands, and put into the hands of the criminal judge – a man who does criminal work – who hasn't got enough time? I want to render a tribute to those magistrates who are serving this province, because it is no fun, Mr. Speaker, to travel the distances they travel and suffer the inconveniences they suffer, and to hear dozens of cases in one day; to sit during night sessions, which they frequently have to do because they have commitments in other places. They are going to help the situation by asking them to look after petty things between two people that do not involve the state; do not involve justice of any kind, except the matter of civil rights between these two parties and that of a contract, note or a tort; something which might not involve much in the sense of money – to be under \$200; but does involve the rights of these people.

I am quite in agreement with the Attorney General if he wants to save these people the trouble and cost of having to consult a lawyer, and I can tell you, Mr. Speaker, from personal experience, that they are not being overcharged for that type of consultation. As the hon. Attorney General knows from even his short experience in a law office, those types of things are a nuisance; they certainly are not a paying proposition. At the same time I feel I did not become a lawyer (and I'm sure very other lawyer in this province feels the same way) merely to make a living at it. I think most of us were motivated (as was the hon. Attorney General) with the idea of service to clients, and most of the people who come to lawyers that have these case have been to a lawyer before. They're probably your own client;; they ask you a question; you tell them whether they have a case or not – it probably doesn't take more than half an hour, at the very outside, and if they have a case, you go ahead and issue a summons – at least you issue a Writ of Summons and draw up a Statement of Claim. Now, this work is supposed to be done by the police magistrate. He is going to pre-judge this case, and then the same police magistrate, after hearing the one side of the story and being convinced (as any lawyer is convinced) that this man is telling the truth (at least in a prima facie sense of the term). Then he is going to call in the other party and hear the case, and adjudicate between these two people. Now, you might say that, in indictable offences, there is a preliminary hearing; there is a prima facie case that has to be established before a magistrate. That's true; but, at the same time, the defendant or the accused is being protected by counsel, who has the right to cross-examine and to protect the interests of his client in the evidence that comes out.

Secondly, that case is not then heard before that magistrate, but before another court, another tribunal. If you are going to take a chance and say, "Well, after all, this is a pretty rough-and ready country" (and becoming more rough and ready with the Attorney General's sojourn in the Attorney General's Department), "let's just do a little rough justice here, and get this over with and not sit around and talk about it", why not let the district court judge do it? After all, the Attorney General promised us, last year, that with the abolition of these restricted boundaries under which the poor system has endured for so many years, we are going to have judicial centres all over the place – justice is going to be easy; justice is going to be cheap; judges are going to be travelling around and rendering services. All right. If they are travelling around and rendering services, if you have established these judicial centres, don't put any additional work on the overworked police magistrates. Give this work to the judges. Not only does he not give this work to the judges, but he purposely excludes them from doing this type of service – a service in which they are trained. It is not criminal work that the police magistrates are doing. It is not a matter of hearing a plea of guilty. It is a matter of judging between the rights of two persons involved in something that does not concern the state, does not concern Her Majesty the Queen, or the public right. There is absolutely no justification for this type of Act that I can see, and certainly there has been none pointed out by the hon. Attorney General.

There is another thing which I think is even a greater wrong. Many years ago, as you know, there was a great stigma attached to being put in debtors' prison. After all, if you were in court, you were immediately thought to be sort of a 'bad man', and had had a brush with the law. That stigma has more or less been removed. In some types of cases people come before the court as a matter of course. Are we going to put that stigma back on these people? Are we going to drag them into a criminal court, just because I might come in and say this man owes me money which he may or may not owe?

There is machinery for the adjudication of this type of thing. If it is merely to save lawyers' fees, that's fine; I'll go along with it. Give the work to the district court; the Attorney General has been complaining that they don't have enough work to do; they're sitting around, they're not even happy being judges because they haven't got enough to do. Then he takes work away from them. He did it last Session. He didn't give them the work that was suggested by the Law Society; he didn't give them the work that was suggested, and recommended by the Culliton Commission; yet now he's going to take some more work away from them! That's one way of eliminating them, Mr. Speaker, but certainly an underhanded way for a man who is as brave as the Attorney General, a man who is going to reform the entire legal system. What a way to start! I will certainly oppose this Bill.

The motion for second reading was agreed to, on division, and the Bill referred to a Committee of the Whole at next sitting.

Bill No. 27 – to amend The Securities Act, 1954

Hon. Mr. Walker (Attorney General): - Mr. Speaker, there are some rather significant changes proposed in The Securities Act, and I would like to deal with some of the more important principles involved.

The first principle involved in the amendment is to provide for a transfer of the Securities Commission under the administration of The Securities Act, from the Provincial Secretary to the Attorney General. This may not be noticeable to the House, but this will bring Saskatchewan into line with all the other provinces, except Nova Scotia and New Brunswick, where one province has it under the Provincial Secretary, and the other has it under the Minister of Municipal Affairs. We find that a great deal of the work of the Commission, if it is doing its duty properly, is in the field of law enforcement, and it is therefore more convenient to have it in the same Department as the general law enforcement agencies of the Government.

Then it is provided that Section 20 will be amended to make it possible to regulate sales of shares in private companies. At the present time, private companies are exempt, and it is now proposed that where a sale is not an isolated trade in a specific security – in other words, when the general course of conduct is selling shares in private companies, it will be under the supervision of the Securities Commission, just as a public company.

Part 5 of the Act was the part which provided for an appeal from the Chairman of the Securities Commission to the full Commission, which consisted of the Chairman and two other members.

I should perhaps say a word or two about the origin or source of The Securities Act of Saskatchewan. Hon. members may recall that back in the late 'forties, a rather serious problem developed in several provinces, and the Ontario Government appointed a Royal Commission, I believe under Mr. Justice McTague, to investigate the operations of the Securities industry there. This Commission recommended a major change in the legislation. Ontario spent a year or more drafting up a new Securities Act, which constituted a new approach to the problem. It was there in operation a year or two, and then we adopted that Act in Saskatchewan in 1954. We repealed our old Securities Act, and adopted the Ontario Act virtually intact in that year. However, we did not follow their part dealing with appeals, and up until now appeals, as I say, were taken to the full Commission, and there was no provision for appeals to the Courts.

We feel that the administration of The Securities Act is one which involves matters of very substantial financial interest to the parties concerned. It is not uncommon, for example, for a promoter of a stock to spend \$50,000 to \$100,000 in preparing his stock promotion, then, if he is

unsuccessful in his application to the Commission, of course it is lost. This is a matter of sufficient gravity that no administrator of a government department such as the Securities Commission, feels secure in exercising that discretion without at least the assurance that the parties might appeal, if they feel aggrieved. As long as there is no appeal to an outside tribunal, the parties may complain that they have had a raw deal, and there is nothing they can do about it. On the other hand, the experience in Ontario has been that only once in a period of 12 years have the Courts allowed an appeal, or upset the order of the chairman of their securities commission. We feel that the security which this provides not only to the people dealing in securities, but the security which it provides to the officials of the Department, is worth any risk that is involved in exposing these decisions in the review of the Courts. So we, therefore, proposed incorporating the appeal section of the Ontario Act in the amendment.

There is one other principle which I think I should mention, and that is the one contained in Section 5. It provides that, with the consent of the Minister, any police officer or police constable may without warning arrest any person whom he believes has committed an offence against this Act, and enter any place, if need be by force, and seize the documents or other things that he finds therein. This Section is one which, naturally the Government instinctively looks on with a good deal of suspicion and a good deal of misgiving. I think, however, it is fair to let the House know that this Section was in our old Securities Act, and was left out of the 1954 Act, because it wasn't in the Ontario Act. It was only after we anticipated some difficulty in enforcing the Act, and enquired of Ontario how they avoided those difficulties, that we discovered that Ontario never had it in their Securities Act; they had it in their Summary Convictions Act. Since we have not a Summary Convictions Act in this province, by inserting it in our Act at the present time, we bring our Act back into line with the legislation as it is on the Statute Books of the leading securities province in Canada, namely, Ontario.

Having brought to the House's attention those things which, I feel, are major principles involved – there is one more which I think I should mention that is rather a major point of principle. It is that the Chairman of the Securities Commission may give the reasons in writing for his decisions, and that we may publish his decisions (and by publish, of course, I mean circulate them among the Securities Bar, and the people practising in the Securities field) without any liability for civil action for defamation. The judges, of course, have this protection. The reason why we propose to give it to the Chairman of the Securities Commission is because we want the people who deal in the securities field to know, as well as they possibly can know, what are the rules and practices, what are the policies, and what is the law which the Chairman applies in these particular cases. This wider spreading of knowledge of the policies of the Commission not only reacts to the benefit of the people who deal with the Commissions, but also make it possible, in fact makes it mandatory, for the Commission to be consistent in its rulings from day to day, knowing that its decisions will be published and will be known to the people in the securities field.

I suggest all these amendments will make it possible for us to maintain in Saskatchewan an even higher standard of administration in the securities field than we have had to date. Our standard up to date has been an enviable one, I may say. So, with those words of explanation, Mr. Speaker, I now move second reading of this Bill.

Mr. Cameron (Maple Creek): - What difference is there in the revised Statutes?

Hon. Mr. Walker: - It was Chapter 361 of the Revised Statutes of Saskatchewan. The old section said:

“Subject to the provisions of subsection (4) any police officer or police constable may, without warrant, arrest any person who believes may have committed an offense against this act, and enter any place if need be, by force, and seize documents or other things which he finds there.”

The new one is different only in one respect. It provides: “With the consent of the Attorney General no proceedings under this Section . . .”

Mr. Cameron: - I just wanted to know the page and number of the original Act.

Hon. Mr. Walker: - It would be in the Revised Statutes, 1953, and it was repealed in 1954. Chapter 361, Section 24.

Mr. Cameron: - Thank you.

Mr. Coderre (Gravelbourg): - Mr. Speaker, I hope someone will correct me if I am wrong, but I believe the Securities Commission was set up several years ago with one purpose in mind, namely, that of protecting the people and registering the various companies, to see that there is no misappropriation of funds, or improper handling of funds, of the various company corporations, or whatever they were to be registered upon. I feel the Act, over a period of a few years, particularly these last few years, has not done what was intended since we have here in Saskatchewan been developing our natural resources; our oil industries and other industries. I feel that The Securities Act itself is not doing the job that it should do. I have no other reasons but to believe that the Act, as it stands, even with the present changes which have come into it, is only one that is encouraging, (I will use the terms of the hon. Premier), “shysters and fast-buck artists”. It is definitely doing that. There is no way anywhere in the Act that will protect the individual who has been approached by a fast-buck artist trying to get his last dollar to invest in this supposedly good company, but really only a money-making scheme. I have cases in mind – I haven’t got all the information and was hoping to have it today; but I have a particular case in mind where – rather less than a year ago, some fast-buck artists (I call

them) came to a particular party in a community which I represent, and sold some shares on supposedly an oil well. The description of the area and location of the well at the time were not exactly as stated or as registered with the Commission. I accompanied one of the gentlemen involved in the matter, and brought this matter to the Commission. This man was not in a position financially or other wise to press the matter in court, and I felt there was sufficient information, insofar as the Commission was concerned, to follow the matter, and find out if there was something wrong with it. I feel that the intention of The Securities Act is to protect the small man, and when the complaint was brought in, I believe there was sufficient evidence to take action. The only words we got at that particular time were, "Go and see the salesman".

I had mentioned that in Public Accounts Committee, the other day, but now it comes up here. I and this gentleman in question went over to one of the motels in town and the situation was this: we were being bathed in untold quantities of liquor to try and change our minds on the matter, and the salesman in question said, "Well, of you bring your shares in, we'll take them back". They knew they were in a spot. Of course, I, not being a solicitor, couldn't give my constituent any advice. He sent the shares back to his lawyer, and since then they have done everything possible to trace the salesman, and as yet they have no information.

I feel that the Securities Commission is not living up to its part of the job, in registering a company for promotion, without first thoroughly investigating them, without first establishing a bond to protect themselves. I think this House should know about particular cases like that. As I was saying, unfortunately I haven't got all the information I would like to have on the matter.

Hon. Mr. Walker: - When did this incident occur that you are referring to?

Mr. Coderre: - During last Session, 1958.

Hon. Mr. Walker: - To whom did you report it?

Mr. Coderre: - To the Securities Commission.

The motion for second reading was agreed to, and the Bill referred to a Committee of the Whole at next sitting.

The Assembly adjourned at 9:50 o'clock p.m.