

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN  
Second Session — Thirteenth Legislature  
20th Day

Wednesday, March 12, 1958

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

**VISITORS TO ASSEMBLY**

**Mr. Karl F. Klein (Notukeu-Willowbunch):** — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to draw to the attention of the Assembly a group of students in the very back row who come from the LaFleche public school, together with their teacher, Mrs. Davis. They are a quiet, well-behaved group. I hope they will, today, learn what is meant by strict parliamentary procedure, that it will be of benefit to them in their education and round out their education.

**BUDGET DEBATE**

The House resumed from Tuesday, March 11, 1958, the adjourned debate on the proposed motion of the Hon. Mr. Fines (Provincial Treasurer):

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

**Mr. Loptson (Saltcoats):** — Mr. Speaker, when you called it 10:00 o'clock last night, and we adjourned, I was about to draw to the attention of this House that thousands of honest men and women throughout the province of Saskatchewan and even Canada have worked and contributed to build up the C.C.F. party in the hope that they might reach the position of holding the balance of power in the House of Commons at Ottawa.

This eminent position they reached on the 10th of June last; but finding that their representation did not have the effect that was expected and that their support was not desired by the party in power, these people are now disappointed and are leaving the C.C.F. party by the thousands, and lining themselves up with the parties they previously belonged to. This is not only contributing to the loss of thousands of voters to the party, but the C.C.F. is finding their ranks and contributions dwindling; and they have stooped to the lowest form of swindle of honest and unsuspecting people in the manner of selling a policy represented

**March 12, 1958**

to be issued by a C.C.F. Life Insurance Company, its Head Office in the city of Ottawa, Ont. This insurance policy, of course, is a fake, issued by a fake company and its promised benefits are a fake also. Can you imagine any political party stooping to such a low ebb? If individuals, or individual corporations, were to collect money in this way, they would be put in gaol within twenty-four hours.

I am just making this statement, Mr. Speaker, as a warning to the people of Saskatchewan and of Canada as to what the C.C.F. canvasser may offer them in return for their contributions to the party; and judge the promoters of the scheme for what they are. Mr. Speaker, I will not support the motion.

**Mrs. J.E. Cooper (Regina City):** — Mr. Speaker, I don't think the comments just made by the member opposite (Mr. Lopton) really deserve any mention at all. What the hon. gentleman was speaking about was a table favour at a C.C.F. banquet, a money-raising banquet for the C.C.F. Now if there is one thing we are proud of in the C.C.F., it is that our funds are raised by our own people.

**Govt. Members:** — Hear! Hear!

**Mrs. Cooper:** — The hon. member would try to suggest something sinister about that. If he wants to go around picking up the private property of a C.C.F. banquet and try to misinterpret it, well then, it is on his conscience, and the rest of us can't do anything about that.

**Mr. Lopton:** — There is nothing on the policy that states where it came from.

**Mrs. Cooper:** — Mr. Speaker, I would like to start out by congratulating the Provincial Treasurer on his presentation of his fourteenth annual budget in this Legislature. I would like to congratulate him not only on this budget but on fourteen years of outstanding service to the people of this province. He has carried a very heavy load of responsibility, not only as Provincial Treasurer, which is a heavy load in itself, but as Chairman of the Saskatchewan Government Insurance Office, Guarantee and Fidelity, the Liquor Board, as a member of the Treasury Board, and many other important administrative responsibilities. In every capacity in which the hon. Provincial Treasurer has served, he has given capable and energetic leadership, and for this we most sincerely wish to thank him.

I have listened with a good deal of interest to all the speakers in this budget debate, and I took particular note of some of the statements made by the financial critic (Mr. Cameron). I would like, at this point, to compliment him on the energetic

manner in which he presented his part in the debate. I was a little surprised that he finished in fifteen minutes before his radio time was up; after all we have heard from the members of the Opposition about the shortage of radio time. However, I did listen very carefully and tried to analyze what he had to say.

Many of the members of the House, in the Opposition, seem to be very fond of quoting poetry, and as I analyzed what the member for Maple Creek had to say, a line of poetry came to my mind, and it was this from Shakespeare's 'Macbeth':

"Full of sound and fury, signifying nothing."

On another occasion when a member of the Opposition was speaking, another Liberal member, a line from Tennyson's poem, 'The Brook' came to my mind:

"For man may come and man may go, but I go on forever."

I am sure the members in the House will have no difficulty in knowing which member brought that line to mind.

Most of the criticism of this budget has been very effectively answered; but there are a few comments I would like to make, particularly on the statements of the member for Maple Creek. He made one new statement in this debate — something he has never said before, — and it is quite a surprising statement. This is what he said:

"The big problem facing Saskatchewan today, is the inability of the C.C.F. to adapt itself to change."

**Opposition Members:** — Hear! Hear!

**Mrs. Cooper:** — Then later on he said, in another way:

"Inability of this C.C.F. Government to be altered to change."

A statement like that, coming from a member of the Liberal Party has a very strange sound, indeed. It is an amazing statement. If this Government had not been prepared to tackle the problems of our changing economy, why then did they set up a Royal Commission on Rural Life? It was because this Government was alert and alive to change that this Commission was set up; and it was set up to make an exhaustive study of every aspect of local government. What is more, this Committee was not satisfied merely to sit in its office and make recommendations. It was right out to the grass roots and held meetings in little school houses, in community halls, all over this country to get

**March 12, 1958**

the problems from the very people, right from the farmers themselves, to hear their ideas of the problems and the kind of solutions they would offer. And who was it, Mr. Speaker, that, early in the history of this Commission which had not been working very long, tried to bring politics into it and tried to undermine the Commission before its recommendations were brought in?

I have here a copy of the 'Leader-Post' dated Wednesday, November 9, 1955, and in it we find this — here is the heading:

'Liberal head believes Rural Report Dictated'

"Provincial Leader 'Hammy' McDonald said, Tuesday night, it was his opinion that the Provincial Government wrote the report for the Royal Commission on agriculture and Rural Life and then gave it to the Commission to sign."

Now it was very evident at that point, when they would undermine the confidence of the people in this Commission, undermine confidence in Professor Baker, one of the ablest men in Canada, what their attitude, even at that point, was going to be on this Report.

Then later on, the Report came in and gave its recommendations that pointed up very clearly the changes that have taken place in our economy, the changes in responsibility of local government that have occurred over the years. The report showed the shift in population and the trend to larger farms, and showed the conflicting jurisdictions that have arisen in school units, health units, union hospitals and so on; and showed, therefore, the consequent need for some reallocation of municipal boundaries. Who is it now that is digging their heels in, refusing to face facts and trying to persuade the rural municipalities to stand pat and resist change at all costs? The members opposite, Mr. Speaker, are allergic to change, and yet the member for Maple Creek has the effrontery to suggest that it is the C.C.F. party that is not prepared to change.

I would like to ask the members of this Legislature to look back a few years when the Larger Units were formed. Who was it that tried to put a stumbling block in the way of this much needed change? Certain Liberals in this Legislature — and they are still carrying on a rear-guard action sniping at the units and trying to discredit them in every way they can.

**Mr. Korchinski:** — We're sniping at the C.C.F.

**Mrs. Cooper:** — Undoubtedly it was the inability of the Liberal party to adapt itself to change that

has put them where they are, today, and, as far as I can see by their attitude to the report of the Royal Commission, they just haven't learned a thing.

**Mr. Gardiner (Melville):** — What we want is a change for the better.

**Mrs. Cooper:** — There was another charge made by the member for Maple Creek. It is not a new charge; it is a charge he has made before. That is the charge that this Government was loading responsibilities on to the municipalities. It seems that, in the eyes of the Liberals, each financial burden that we remove from the municipalities, somehow or other they twist it around and they turn it around until they have got it that we are loading something new on the backs of the municipalities — quite a juggling act, if you can get away with it.

When, at the request of the municipalities, the Government agreed to go in on a multi-million dollar grid road program — when we agreed to finance 50 per cent of those grid roads and now it has turned out that we are financing 60 per cent, instead of the Official Opposition admitting that we are helping the municipalities, they interpret this that we are trying to load something more on the municipalities. Apparently the municipalities do not feel that way about it, in view of the alacrity with which they have taken up the offer.

Then again, following this same line, the member for Maple Creek, because it was mentioned in the budget, or was pointed out in the budget, that our hospital plan, the fact that we are paying 75 per cent of social aid, our help in secondary highways, our increased allocation for education — that all of these things have helped the finances of the municipalities (and certainly they have) — this gentleman, the member from Maple Creek, tried again to interpret it that we are loading some new responsibilities on the municipalities. For sheer sophistry, that is hard to beat.

The hon. member talked at length about the Crown Corporations, and I am sure his argument has been very effectively answered; but in spite of this the Liberals still refuse to face the fact that even if we deduct everything they suggest we should deduct from the profits of Crown Corporations, our Crown Corporations still come out with a very handsome profit.

**Mr. Korchinski:** — What about the Fish Marketing Service?

**Mrs. Cooper:** — They won't admit it, Mr. Speaker, They won't admit that any losses that may have occurred in some of the Crown Corporations have been deducted from the profits credited to other Corporations, and that not one dollar of the taxpayers' money has gone to pay losses at the end of the Crown Corporation.

**March 12, 1958**

**Govt. Members:** — Hear! Hear!

**Mrs. Cooper:** — And I would like to go on and say that, even if we had never made one dollar out of our Crown Corporations, the experiment would have been worthwhile.

**Mr. Korchinski:** — Pretty expensive.

**Mrs. Cooper:** — If you never try anything you never accomplish anything. Sure, some of them have failed; certainly many private enterprises have failed also. What is more, over the years, Corporations have provided jobs for our Saskatchewan people, which is important. In spite of a few failures the picture is extremely good, and no member on this side of the House has any reason to apologize for our Crown Corporations.

At another point in his address, when he was talking about the Dominion-Provincial Conference and the allocation of money to the province of Saskatchewan, he said this:

"One, of the reasons payment to Saskatchewan from the Federal Government is less than we had hoped is because for the past year private enterprise has not been doing so well. Corporation profits are down."

Then he said:

Surely the C.C.F. Government cannot blame Ottawa for that."

If, however, in the preamble to our reports we state that because of economic factors business wasn't so good in our Crown Corporations, this year, that is a different story, quite a different story; just an alibi to cover our own inefficiency. And, because we suggest, because the market has dropped or the market for pulpwood had gone down, that this is a determining factor in getting a pulp mill established here, the hon. members across the way pooh-pooh that and say it is just our socialist philosophy.

Then, of course, he went on and painted a very depressing picture of what he called our 'wanting population' and he said this, and I have it directly:

"Every one of our youths of marriageable age is leaving Saskatchewan."

Now I realize the hon. member didn't mean that; he just got a little over-enthusiastic about the subject when he said he said that. But he went on and said this:

"Bold and aggressive steps should be initiated to hold our population and make opportunities."

**Mr. Cameron:** — Do you agree with that?

**Mrs. Cooper:** — That is a good phrase, Mr. Speaker; and I expected him to go right on and tell us what those bold and aggressive steps should be, or would be; but not one word. He gave not one constructive suggestion — merely 'bold and aggressive steps.'

**Mr. Gardiner:** — What about farm loans?

**Mrs. Cooper:** — I would like to suggest to the hon. member that employing over 5,000 young Saskatchewan people in our Crown Corporations is a bold and aggressive step. The fact that we soon will have technical institutions where we can train our young people with technical skills so they can get better jobs, is another step in the right direction. The setting up of a medical college in the University of Saskatchewan where our own young people can train to be doctors is another bold and aggressive step. The setting up of our Industrial Development Office to encourage industry to come in here, and to make loans to help some of these industries get on their feet, again is a step in the right direction, and a step which they continually ridicule.

**Mr. Gardiner:** — Drive in theatres.

**Mrs. Cooper:** — Then what about this tremendous power program in the province of Saskatchewan, the natural gas program, building gas lines across the province, our great public works program, our rural electrification program — all of these things and many more, are what I would call practical, bold and aggressive steps.

The hon. member also contradicted himself so often. In one breath he said this: "Private Enterprise won't come into Saskatchewan for fear of socialist policies"; and in the same speech, almost in the next breath, he said "The only thing that has contributed to the prosperity of Saskatchewan is private enterprise." Obviously you can't have it both ways.

I would like to turn, for a few moments, to the budget itself, Mr. Speaker. There is much in this budget to commend it. I think it is very encouraging that, in spite of adverse agricultural and rural conditions, we find that revenues are sufficient in this year to allow us to raise expenditures for education by \$3.4 million, after raising it by over \$4 million last year. We find in the budget there is considerably more for the municipalities. We have been able to increase mothers' allowances and to pay more to blind pensioners and old-age pensioners. We are carrying on with

**March 12, 1958**

We are carrying on with our very big provincial program of housing for our senior citizens, and there is considerably more voted for the care of the mentally ill. We find more in this budget, this year again, for agriculture, for highways, for our grid road system. All of these things are so important because they touch the lives of every person in Saskatchewan very directly, and I am sure they will be approved by the people of this province.

This, of course, is just a current budget. We also have a very extensive a capital budget, and at the same time we are going to be able to continue the rapid expansion of our power program. We are ahead with our rural electrification program. Natural gas distribution is going on apace, and many new parts will be served this year. We got natural gas in Regina, last fall, and everywhere I go people are singing its praises, because it is clean and it is safe, and the people are more than delighted with how much they are actually saving in fuel costs. When you consider the price charged by our Saskatchewan Power Corporation and compare it with prices being charged by private enterprise in the city of Winnipeg, you begin to appreciate the value of a publicly-owned power corporation.

While I am speaking of power, I have a suggestion I would like to make to the Minister in charge of the Power Corporation (Hon. Mr. Brown). I believe the Power Corporation at present is the only Crown Corporation in Regina that is not now paying grants in lieu of taxes to the city of Regina. The city of Regina is expanding very rapidly and they have a very heavy program, which must be carried out, extending sewer and water, paved streets and so on. We are having a very difficult time in keeping up with the expanding school population, the building of schools; and I think the request of the Regina City Council is reasonable and fair, that the Power Corporation should be paying grants in lieu of taxes. I hope the Minister in charge will take this suggestion into account at an early date, and comply with the request.

Coming back, now, to what I said about the Government's power development and the capital and budget of this Government. The large capital expenditures that are being made in this in this province is a very good sign that Saskatchewan is going is ahead; that the Government is alive to the opportunities that face Saskatchewan, if we are able to keep abreast with the expanding need. I am sure that nothing short of a serious depression can hold us back. I am very pleased, indeed, that the Government is doing everything possible, as far as the ability of the province will permit, to see that we do have all the facilities necessary to bring industries into our province. I was certainly glad to hear the announcement in this Legislature that a new that a new paper box factory is being built in Regina. This will be a welcome addition to the many new industries that have been built in this city.



There are many Government programs I would like to mention, if time permitted. I would like to commend the Government on the new geriatric centre which was opened last fall, and I hope the members who are here will make an opportunity to go and see that geriatric centre. I know they will be pleased that we have an institution of that kind to look after the of some of our senior citizens. And, of course, in every paper we pick up we see new homes for senior citizens up all over the province. This is something, I think, which has filled a great need and something we can be very proud of.

On a previous occasion in this Legislature I said a good deal about some of the problems I thought were facing us because of a changing age pattern and an aging population. We find that, even though we are building rapidly homes for senior citizens, it is hard to keep up to the demand. Yet these homes are so important. You will remember when the old-age pension was raised by \$9.00, last fall that all over Canada we found complaints that rents were raised by that \$9.00 and the old-age pensioner was no better off. By providing comfortable and economical housing for these older people we are doing something, I feel, that is very important. I also feel this will be a growing problem, and, if there is anything that we can do to help people remain in their homes longer, the Government should take a look at it and examine it very carefully.

I have been tremendously interested (as I said once before), in the visiting housekeeper services that are used in some countries, particularly in New Zealand, in the Scandinavian countries, in Great Britain and to some extent in Canada. This service works like the V.O.N. service. The visiting housekeeper visits the homes on a regular schedule and takes over the heavy work which the older people can no longer do. It has proved to be a very fine service. People are really happier if they can remain in their own homes longer — and it is more economical.

I would hope that the Minister of Social Welfare (Hon. Mr. Bentley) would take note of this suggestion and I would hope that some real research would go on, because this has been done in other places and it has been very, very helpful. I think it could be worked out in the province of Saskatchewan; at least I would like to see some investigation of it. Before I sit down, I would like to say just a few words about a subject that interests me very greatly, and that is mental health. I do sincerely welcome the very large increase again, this year, for the people who are mentally ill, for the field of mental health. I think it should be a matter of great pride to all of us in this province that, recently,

**March 12, 1958**

the mental hospital real at Weyburn won a very important award given by the American Psychiatric Association the for the hospital that had made the most progress in the last three years.

Some of you may have noticed a letter written by a psychiatric nurse who was in the province some years ago, and who returned and visited the hospital again. I thought I had it here, but I haven't; but she said, in effect, that it was impossible for her to believe the very change that had taken place in that institution. I know that is true, because I visited it years ago and I visited it several times since, and I know that the change has been absolutely marvellous. I think that we can thank the staff of the hospital very sincerely, and also thank our Government for providing the money to make these beneficial changes.

I also note that Saskatchewan is spending more than any other province, per capita, on the mentally ill — \$6.65, which is by far the highest in Canada; and again that is something to be proud of. You will also note that the Provincial Treasurer says this: "I fully realize that there is a great deal more to be done." I heartily agree with the Provincial Treasurer. I think there is a great deal more to be done all across Canada in the field of mental health. When we realize that half the hospital beds in Canada are filled with mentally ill, I think this is a problem that is not getting the attention that it deserves, anywhere in the Dominion of Canada. I think there is far too great a disparity in the amount spent for the mentally ill, and even in this Province, we spend by far the greatest amount, the disparity is still too great — \$6.65 per capita for the mentally ill and something close to \$30 per capita for the physically ill. I know they are not comparable, because the mentally ill are not altogether bed patients, but, on the other hand, you must remember that medical care is included also in this figure for the mentally ill.

I think we need more money at the Federal level for research in the care and treatment of the mentally ill; and I think you will find all over Canada that the facilities for mentally ill are inadequate, the hospitals are over-crowded and are understaffed, and there is the whole field of rehabilitation of mental patients that has been scarcely touched yet. I believe, in this matter of caring for the mentally ill all across Canada, we are being penny-wise and pound-foolish because I believe that, with better facilities, we could definitely shorten the stay of people in the mental hospitals and we could send many more of them home cured. Therefore, I say we are being penny-wise and pound-foolish, and I think what I say has been definitely proved by the fact that, in Saskatchewan, population is going down in the mental hospitals, not because we don't admit as many, but because we are able to shorten the stay, while in other provinces, where the expenditure is not as great, the numbers are going up.

One thing that distresses me so much is the fact that the Federal Government in its hospital insurance plan is not planning to include the mentally ill. I am afraid what will happen is what has happened in the past — all the attention will go to the general hospitals and once more the mentally ill will be the forgotten people. It is not fair.

I am very pleased that we are progressing so well in the field of mental health in this province, and I am still hoping for the day when we can announce in the budget that we will have money enough to take the next step which, I hope, will provide at least one new small mental hospital where the patients will have more privacy, where the facilities for the staff are better, and where the patients may be nearer to their homes.

And now, Mr. Speaker, I once more have the honour to say I will support this budget.

**Hon. Mr. Lloyd (Minister of Education):** — Mr. Speaker, may I first of all join in the welcome to the young people in the gallery who were referred to by the hon. member for Willowbunch. He expressed the hope that they would have the opportunity to see something worthwhile in parliamentary procedure. I am sure that in listening to the address of the hon. member for Regina who has just taken her seat, they have indeed witnessed some of the best they can expect to find in this House on parliamentary discussion. I could not help but think how fortunate it was that they were not here most of yesterday afternoon, or last night. The contrast was quite considerable.

I do want, also, to introduce, or rather, to have reference to one other visitor in the gallery whose presence has just been brought to my attention by the hon. member for The Battlefords. He is Mr. Jim Arnold of North Battleford who, I am told, last night won the finals of the Bryant Oratorical Contest for the province of Saskatchewan. All of us want to congratulate him most heartily.

Mr. Speaker, may I first of all join with those who have congratulated and congratulated again the Provincial Treasurer on the Budget Address and the budget documents which he has presented to this House. When the Provincial Treasurer brings down his successive budgets, I am always extremely proud of the fact that he was a teacher. He served in that capacity his profession, his pupils and his community well for of years He served the city of Regina well as a member of their City Council for a number of years. He has served the province of Saskatchewan exceedingly well for a number of years, and I want to concur with those who expressed the hope that hew will continue to serve in that capacity.

**March 12, 1958**

Yesterday afternoon, the members of the Opposition pointed out that it was their opinion that the function of the Opposition was to oppose. This is a thought. I suggest that is neither very profound nor very original. Perhaps they ought to examine just a bit further what is meant by 'oppose'.

Surely 'oppose' is not just a negative word. Surely, a group opposes by standing for something, not just standing against something. The hon. member for Regina characterized their argument as one that was "full of sound and fury, signifying nothing". I wish I had said that, Mr. Speaker. I was going to say it, but she beat me to it. I had in mind, too, the words of another bit of poetry which has been put to music. That is the words of a song which simply says, "No! No! A thousand times no!" because that is about what they said. In all of the addresses from each and every member of the Opposition, one finds practically nothing has been said about the Budget, itself; practically no reference to the motion under discussion, which was to go into the Committee of Supply.

Here we are discussing the use of some \$130 millions of the people's money, and we have the Opposition standing up reading clippings, quoting irrelevant poetry, and talking about banquet favours, as a contribution to the discussion of how this money should be spent. Let me give some examples. I did not expect that the member from Arm River or some other members on the side of the opposition would agree with the member for Estevan (Mr. Thorson) when he spoke in the debate, just a day or two ago. But I would have expected, even if they did not agree with what he said, that they would agree that he did present an exceptionally able, a well-documented and pleasantly delivered argument. You will recall the comment of the member for Arm River (Mr. Danielson). Unable to answer the argument, he resorted to some childish invective.

You may recall, Mr. Speaker, that yesterday afternoon, in the contribution to the Budget debate one of the members in the Opposition referred to the members of the Government side collectively as a "bunch of jackasses." This was quite a contribution to the budget debate. You will recall that some members over there spent a lot of time accusing the Government of trying to stir up fear and stir up hatred in the province and the country, and then went on to spend most of their time trying to frighten industry of the province of Saskatchewan, in trying to stir up fear and hatred by insinuating that the Premier and other members of this party were Communists or had close links with Communists.

Mr. Speaker, there are a number of us in this house who remember days in Saskatchewan when there was fear abroad; who will remember the relief days in which people were denied not only freedom from want, but also freedom of speech; remember the days, when under a Liberal government in this province, many people were afraid

to express their opinions, their political opinions particularly because of the effect this might have on whether or not they would get seed grain or feed for their stock, or dried fish or beans.

**Mr. McDonald (Leader of the Opposition):** — Back in the 'thirties'!

**Hon. Mr. Lloyd:** — Back in the thirties, right, they would like to have us forget them. It is they who were talking about people who spread fear, Mr. Speaker, and they ought to realize the part they played in that, in the history of this province.

**Mr. Gardiner:** — Ask the member for Moose Jaw.

**Hon. Mr. Lloyd:** — Remember the days when they laboured to frighten the people away from in supporting this movement by suggesting that this movement, if in power, would burn churches and take away their children.

**Mr. Danielson:** — Dyson Carter!

**Hon. Mr. Lloyd:** — Mr. Speaker last evening in this House . . .

**Mr. Danielson:** — You are talking about Dyson Carter.

**Hon. Mr. Lloyd:** — Last evening in this House we were proceeding according to the usual agreement with regard to procedure. Now I will admit there is nothing binding in those rules, except that respect for agreement makes it binding. The point I think we have to consider, after last evening, is this, that the rules of the Legislature were developed by gentlemen for the use of gentlemen . . .

**Mr. Gardiner:** — Until you came in.

**Hon. Mr. Lloyd:** — . . . and if the Opposition (or some of them) are not prepared to proceed according to the rules then we will have to consider that they are not willing to proceed in that way. Earlier in the debate, one of the members of the Opposition suggested that we should forget all about the 'thirties'. Again, they would like that to happen. May I suggest that people forget history at their peril. The 'thirties' are a part of our history, and I suggest that one of the shortest paths back to depression is to forget about the last one.

The member for Redberry (Mr. Korchinski) joined the debate and made his usual attack on the Civil Service. Particularly he made his usual attack, on the Department of Social Welfare. I think the question must be raised: 'Does this represent the attitude of the Official Opposition with regard to the Civil Service?'

**March 12, 1958**

More important than that, "does this represent the attitude of the Opposition toward social welfare work?"

Later on, the member for Turtleford (Mr. Foley) had something to say about the cost of high-school textbooks, among other things. If I heard him rightly; he said he knew students who spent \$60 or \$70 a year for textbooks. Well, I had the officials of my department give me a list of the textbooks required in the high-school grades in the province, and the cost of them. Excluding supplementary reading books, which could be found in the library, this I find. The cost for Grade IX is about \$30, and some of these books in Grade IX can be used in Grade X. To purchase the rest of the books for Grade X would cost about \$10. The cost of books for Grade XI is less than \$30, and some of these can be used for Grade XII; the cost of the remainder would be about \$13. Thus the total cost for one student over the years is about \$80 toto. Let us have in mind, further, that many of these books, if they are well kept, can be sold to other students, and many of them can be purchased second-hand for a price less than that. That statement, Mr. Speaker, is in line with . . .

**Mr. Foley:** — Mr. Speaker . . .

**Mr. Speaker:** — Order! Order!

**Mr. Foley:** — On a point of privilege Mr. Speaker . . .

**Mr. Speaker:** — State your point of privilege.

**Hon. Mr. Lloyd:** — That statement, Mr. Speaker, is in line with terms of accuracy . . .

**Mr. Foley:** — Mr. Speaker, when I said \$40 to \$70, I was thinking not only in terms of one student, but I was thinking in terms of family costs.

**Mr. Cameron (Maple Creek):** — They just laugh at that.

**Hon. Mr. Lloyd:** — Let me refer then, to another statement that the hon. member made, and perhaps he will explain this one, too. He had reference to the fact that, in the province of Manitoba which enjoys the largess of a Liberal government, there was no net debt. They were all ready to wipe it off — could wipe it off. I have here a copy of the "Winnipeg Tribune" for Saturday, March 1, and I read this: "In its estimates for 1958-59, the Government appears to have almost doubled its net deadweight debt" which the hon. member suggested they did not have. "At the end of March, the province's net deadweight debt was \$26 million; added to this is \$7 million for road building in the current year. During the year, the Government may have retired some of the debt. In its new estimates the Government proposes to borrow \$24 million to finance its road-building program. This new deadweight debt

is almost equal to the present total." The same thing can be found in the "Winnipeg Free Press" for the same date.

**Mr. Cameron:** — What is wrong with reserves?

**Hon. Mr. Lloyd:** — This, again, Mr. Speaker, is an indication of accuracy — or otherwise. All in all, (net deadweight debt, debt, Mr. Speaker), the most impressive fact about the arguments of the Opposition was, first of all, its lack of reference to the Budget which is under discussion. The second most impressive fact about the argument of the Opposition was the unimpressiveness of that argument. This is the unimpressiveness that has left the Liberal party in the last Parliament of Canada with only eight seats from Western Canada in the House of Commons — the same unimpressiveness that is causing the Liberal Party like "Arabs folding their tents and silently stealing."

**Mr. Gardiner:** — Your leader folder up, the other night.

**Hon. Mr. Lloyd:** — The budget debate is the Opposition's opportunity to oppose, if anything is. It is also their opportunity to demonstrate their right to propose an effective alternative to the Government's policies. They did not propose alternatives. They did not provide any alternative suggestions. When I say that it is their responsibility, on this occasion and others, to do this, I do not say that it is their responsibility to make suggestions to the Government, but, it is responsibility to be honest to the people of the province, so that people of the province will know what they stand for.

Let me illustrate further by analyzing in a bit more detail the remarks of the hon. member from Maple Creek, the chief financial critic for the Official Opposition. He, in a sense, said some five things about the Budget. He said, first of all, that more should be spent on Education. Well, I think all of us agree to the need to put more money in education. But he ignored entirely the fact that there is an increase in the budget of something over \$3 million for school grants; that there was an increase, last year, of over \$4 million. These, according to him, were "piddling" amounts. I shall discuss something more of the details of distribution of these later.

I have not seen all of the budgets in all of the provinces of Canada for this year, as yet, but those of Saskatchewan, of Manitoba and of British Columbia have been looked at. In looking at those budgets we find this: 19 per cent of the revenue budget in Saskatchewan goes to school grants; in Manitoba, 17 per cent of the revenue budget goes to school grants, and in British Columbia, 16 per cent goes to school grants. So Saskatchewan puts the largest percentage of its revenue budget, of those three provinces into assistance to school districts.

**March 12, 1958**

Secondly, he suggested that not enough was being spent on agriculture. He did not bother to say for what purpose any more money might be spent. He ignored, again, the increase in the agriculture revenue and capital budget of something over \$700,000 this year. He ignored the effect that increased municipal grants, school grants, social welfare expenditures have been to agriculture.

Thirdly, he had something to say about Crown Corporations, and all that one can take from his talk about Crown Corporations is that a considerable number more of them ought to be 'thrown out of the window.'

**Mr. Danielson:** — You will do it in a little while.

**Hon. Mr. Lloyd:** — In talking about Crown Corporations again, he ignores the fact that these activities have given employment to thousands of Saskatchewan people. He ignores the fact that a corporation such as Government Insurance has made possible millions of dollars in savings by Saskatchewan people.

**Government Members:** — Hear! Hear!

**Hon. Mr. Lloyd:** — Whether they have bought insurance in, from the Government Insurance or bought from other companies, it has saved them millions of dollars in insurance. He ignores the fact of increased returns to trappers and fishermen because of the activities of Crown Corporations.

**Mr. Cameron:** — Six cents a pound!

**Hon. Mr. Lloyd:** — He ignores the facts of the Transportation Company; the fact of the assistance of Airways in the opening of northern Saskatchewan. He ignores that utilization of resources, referred to by the Minister of Social Welfare (Mr. Bentley), the developing of such resources as clay and sodium sulphate, which has put a considerable amount of money in terms of dues and royalties into the coffers of the provincial treasury. Most important of all, of course, he ignores the fact that these Corporations have returned millions of dollars to the treasury already.

**Mr. McDonald:** — That is not true.

**Hon. Mr. Lloyd:** — Let me look just a bit further at that particular statement.

**Mr. Cameron:** — It never will be.

**Hon. Mr. Lloyd:** — Up to the end of 1957, these Corporations had accumulated a surplus of some \$9,900,000. Some of the Corporations had, during, that period, incurred a deficit of roughly \$1,900,000. This includes amounts paid by Government on behalf of some of those defunct Corporations. The result, how-



ever, is that there is a net surplus there of something in the neighbourhood of \$8 million against total advances of some \$9,706,000. Now, admittedly, that advance was not always that great. It has grown from something just under \$2 million in 1948 to its present total. But in addition to considering just those figures, impressive though they are, we must bear in mind that some of these Corporations are service industries. They are not expected to make a profit. We know they are providing a service; we expect they will pay their way. We could include in that group Airways, Fish Marketing Service, Fur Marketing. Service, Trading and even Transportation. These are not designed as money makers. They are designed to give service to the people of the province. The advances to this group total something over \$3 million, so that, actually, the advances to the other group which returns money to the treasury is in the neighbourhood of \$6,500,000.

The Opposition would like to destroy these Corporations, else why their constant attack, an attack from almost every person who spoke on that side of the House from the Official Opposition. They would like to go back evidently to the good old days when the fish dealer and the fur trader could take all they could get. They would like to go back to the days when insurance companies had no check, no competition, save that arranged by themselves. I suggest that here again, we have an example of that irresponsibility to which the member for Estevan spoke, because the Official critic of the Opposition inferred that nil of these except Power and Telephones — and "Perhaps Transportation", could be, in effect, tossed out of the window. And others speaking . . .

**Mr. Cameron:** — Mr. Speaker, on a point of privilege. I did not want to interrupt the hon. member, but I made no such reference, I took merely the list of Crown Corporations that had run up a deficit, year after year. And I said in my statement that, with the exception of the Timber Board which was a monopoly, all of these other Crown Corporations which I had listed were running in the hold each year . . .

**Hon. Mr. Lloyd:** — The point of privilege has been taken and I think, Mr. Speaker . . .

**Mr. Cameron:** — I would like you to get it straight.

**Mr. McDonald:** — Stick to the truth.

**Hon. Mr. Lloyd:** — I am sticking to the truth.

**Mr. McDonald:** — You are no such thing.

**Hon. Mr. Lloyd:** — I said he inferred, and other members on that side inferred — and why the constant attacks on all of the Corporations from almost every person who spoke, that these were not the procedures satisfactory to the province? I suggest

**March 12, 1958**

Mr. Speaker . . .

**Mr. McDonald:** — You threw out nine.

**Hon. Mr. Lloyd:** — . . . that this is part of the irresponsibility on that side of the House. These gentlemen don't argue in the open that we should dispose of our insurance business. They won't argue in Estevan that different plants should be closed. They won't argue in Chaplin that the sodium sulphate plant should be closed. They won't argue in northern Saskatchewan that Airways should be closed. They won't argue that the fish producers should be denied the right to choose to sell through the Fish Marketing Service, or that the trapper should be denied the right to choose to sell through the Fur Marketing Service. This is not opposition. It is not opposing simply to hide behind this curtain of vagueness, of insinuation. It is irresponsible, I suggest, to, in effect urge closing, to in effect, damn all the Corporations, but not be prepared to be specific about it.

Again, I point out this is not a matter of telling the Government what to do; this is a matter of them being honest with the people of Saskatchewan.

**Mr. McDonald:** — You've got yourself in a mess.

**Hon. Mr. Lloyd:** — The member for Maple Creek was also satisfied with the rate of marriages and births in the province. Now, if governments are to assume complete responsibility for population growth, where then do we put the responsibility for what has happened to the population of Saskatchewan in the past? I have here a chart which shows the relationship between the population of Manitoba and Saskatchewan since 1911. I note that, from the period of 1911 to 1931, the population of Saskatchewan grew at a more rapid rate than that of Manitoba, but I note this trend was reversed in 1931. I suppose the members of the Opposition would say that this was the fault of the Tory Government which was in power at that particular time.

**Mr. Cameron:** — Back to the depression.

**Hon. Mr. Lloyd:** — This gap between the two increased until 1931, and then it began to decrease. The steepest drop in our Saskatchewan population began in 1941, when friends of the members sitting opposite were in power. And that trend continued until about 1951. Now, this is the situation. If the trend in effect when the Liberal party left power in Saskatchewan had been continued, then the population of Manitoba would have passed that of Saskatchewan in about 1953. The fact is, even though again the member for Maple Creek inferred in one statement (may be it was an error) that Manitoba had a higher population than Saskatchewan, the fact is that Manitoba has not, and that the population of Saskatchewan is higher.

**Mr. Cameron:** — Mr. Speaker, on a point of privilege. I would point out that at no time did I infer that Manitoba's population was higher than Saskatchewan's. The Minister over here raised the question, and he admitted that the press report was an error. You were in the House at the time, and you know no such statement was made.

**Hon. Mr. Lloyd:** — I think the hon. member did correct it, but he did in his original statement certainly infer that that was the situation.

Now may I turn to his fifth statement about the budget, and that had to do with the inability of the Government to change — I shall deal with that in just a moment. These were the five points he made. Having repeated most of these several times, being, I gather, not only out of ideas but out of words, he sat down with 15 minutes of much-debated air-time still available.

**Mr. Cameron:** — Generous to you.

**Hon. Mr. Lloyd:** — He sat down, I suggest, without having demonstrated that the Opposition in this Legislature presents any effective alternative to the present Government.

Let us look at this statement about the inability of the Government to change, and see to what extent change has taken place.

I would like to spend just a few minutes on the Department of Health. The Provincial Treasurer in his budget address pointed out the interest there is in preventative health. He suggested that, within a short time, the entire settled area of the province will be covered fully by organized health regions, something which had not been started, in any sense at all, prior to 1944 — a service of which the Department of Health pays some 70 per cent. In so doing they relieve municipalities who had a public health service before, provide this service in areas where it was not provided before, improving not only the health of the people, but improving the tax-carrying ability of the people as well. One might take a look at the field of hospital construction in which grants totalling over \$3 million have been provided in addition to an expenditure of approximately \$12 million on the University Hospital in Saskatoon. This has relieved municipalities; this has made more hospitals available.

The hon. member for Regina who just sat down had reference to the program of mental health, where our expenditure is some two times the national expenditure on this particular program. Here again the charge to the individual or municipality, as the case might be, has been removed. The improved rate of dis-

**March 12, 1958**

charge, improved not only the health of our people, but the effectiveness of our people in paying debts.

We could have reference to the cancer program in which treatment without direct charge to the individual has been provided. I talked just at noon-hour with a friend of mine who had come back from visiting in Manitoba — a friend whose sister had been affected by cancer and who, in recent years, had had to pay out some \$4,000 for doctor bills and hospital treatments of which not one cent would have had to have been paid out, had she been living in Saskatchewan.

Reference should be made to the hospitalization plan. The hospitalization plan is, of course, a sensible system of sharing costs and paying in advance, a plan which has relieved municipalities of a great deal of expense, and saved individuals an expense which frequently would have been crippling to them.

I would like to make reference to an editorial in 'The Leader-Post' yesterday morning, an editorial which comments on the problem which the City of Regina faces in building a on the new hospital, and which goes on and says this:

"In fairness, it should be pointed out that the hospitalization scheme has eased the load on local taxpayers, because operating costs are underwritten by the Saskatchewan Hospital Services Plan. The Regina taxpayers do not have to foot bills for annual deficits which used to be in the vicinity of \$75,000 . . . "

It goes on to say:

" . . . because of the depreciation allowance, approximately \$1 million has been received from this source for that purpose."

Talking about change, Mr. Speaker, the health program instituted by this is Government has been the most comprehensively conceived and effectively executed health program to be found anywhere on the North American continent. It has not only relieved municipalities and individuals of a great deal of otherwise unavoidable costs, but it has added to the tax-paying ability of a great many of our citizens, as well.

I need not comment on the changes in the Department of Social Welfare, because they were summarized so effectively, yesterday afternoon, by the Minister of Social Welfare. I would just like to make one comment, and it is that perhaps the most impressive thing that Department has done is to develop a changed approach towards social welfare problems, to the problems of those less fortunate or those who have been unfortunately treated by society.

Let us take a look, in connection with this matter of a provincial-municipal relationships over the years. A number of years ago the Britnell-Cronkite-Jacobs Committee studied this relationship, reported on it and made recommendations. I think it is fair to say that nearly all, if not all, of these recommendations have been in effect for some years.

**Mr. McCarthy:** — That's not true.

**Hon. Mr. Lloyd:** — Secondly the commission to which the hon. member for Regina (Mrs. Cooper) this afternoon referred — the Royal Commission on Rural Life — has made an exhaustive detailed study of this particular problem. It is extremely noticeable that the members of the Opposition don't seem to like the idea of the Government calling together representatives of local governments, and representatives of organizations generally, to discuss these reports and discuss these particular problems. They seem to be afraid, I suggest, of public opinion — of the effect of public opinion once public opinion really begins to study in detail the evidence which is available to us.

One of the developments here has been that of the Municipal Road Assistance Authority. In the last two years (these figures are available in the budget documents) this authority will spend something like \$10 million — pardon me, Mr. Speaker, last year and the year coming they will spend in the neighbourhood of \$10 million. This will provide grants to help the municipalities build them.

Talking about change, let us look at the Power Corporations at what has happened there. The development of a transmission grid across the country, the development of central power stations, neither of these, prior to the coming of this party to power, were in existence either on the maps of the province or in the minds of the then Government. It is only by developing kind of transmission, this kind of production, that rural electrification or reasonably-priced power for industry is possible. This has made a tremendous difference in farm life, in the homes, the barns, the shop.

Let us slip for a moment to the change in resource development. The budget reports that in 1957 mineral production was \$158 millions, 37 per cent higher than that production in 1956. The budget forecasts crude oil production in 1958 at a value of \$100 million, \$23 million more than the year before. The budget indicates that there is available, from the resource developments in the province, a revenue of \$25 million. This revenue, which in 1944-45 amounted to about one-quarter of a million, will amount this year to \$25 millions.

I could go on with other Departments, Mr. Speaker. I have mentioned some which have had to do with expenditure, and

**March 12, 1958**

some which have to do with the means by which that expenditure was provided. I would like to say in regard to the last point of the member for Maple Creek, that it is not the lack of change which frightens the Liberal party. It is rather the extent of the change, and the effect which this has on the Liberal party, which frightens them.

I turn now to the one statement made by the garrulous gentleman from Melville (Mr. Gardiner), who is not at this moment in his seat. He if any one, I am sure, would be expected to carry the ball of irresponsibility for the Opposition. You will recall that he was trying to demonstrate that educational conditions were no better than 20 years ago. One of the bits of evidence which he chose to use was that the high school enrolment today, or last year, was not as high as had been the high school enrolment some 20 years ago in the province. That part of the statement is, of course, correct. It isn't as high; but in looking at it, I suggest one should look at more than one particular figure. We should, for example, look at the difference in population of the age groups in the province from which school students come, for those years to which he referred. In 1937 there were 103,000 people in the province in the age group from 15 to 19; in 1956, there were 68,000 only. It is necessary to look at the numbers of students from which this high school group came. Let us go back five years before 1937-38. The high school students from 1937-38 would, at that time, be in grades four to seven. There were some 88,000 of them, but, by the time 1937-38 came along, only 36,700 showed up in high schools. In other words, there was a drop-out of almost 60 per cent.

If you take the same situation for 1957 you will find that, going back five years again, the drop-out during that period was not 60 per cent, but the drop-out in 1957 was 31 per cent. I am the first to admit that that drop-out is still too large, but I suggest also, when you have decreased the drop-out by one-half it is hardly accurate to say that no improvement has been made.

There has been a considerable amount of discussion about taxes, and the rate of taxes for school purposes. Everybody knows that taxes have gone up; that they have gone up not only in Saskatchewan, but all across, the country. Everybody who is reasonable will admit that this could hardly be avoided. I think everybody who is reasonable also will admit that we shouldn't just look at taxes, but should look at the things for which taxes pay. We have to remember such items as teachers' salaries, as increased services, as increases in the number of buildings.

Just to get a picture of what our tax burden is, I want to look at the school taxes as levied by rural municipalities per acre. These are figures which can be obtained from the report of the Department of Municipal Affairs, by taking the

total levy for school taxes by rural municipalities, and dividing by the taxable acreage in the province.

**Mr. Cameron:** — They don't mean a thing.

**Hon. Mr. Lloyd:** — It is true that hon. members, all of us, can quote taxes which have gone up very steeply. It is true that many of the taxes in the province are higher than the average; but it must also be true that the rate of taxation in a lot of the rest of the province must be less than the average, otherwise you would not have that particular average. Now, this is an average only. In 1954, taken from these sources, that taxation for school purposes by rural municipalities was 26 cents per acre. In 1955 it was 27 cents an acre, and in 1956 it was 28 cents an acre. Actually it is a bit less than that, because this levy is raised not just by land, but by some \$50 million of taxable assessment of businesses, pipelines and railways; but we'll call it 26, 27 and 28 cents per acre. Over the three-year period, then, the average increase was two cents an acre or \$3.20 per one-quarter section.

We don't know the rates yet for 1957, but we do know that in 1957 there was no increase in the rural rates in 28 of the units — one-half of them. In nine units there was an increase of one mill; in 10 units an increase of two mills. In other words, in 47 out of 56 units, the increase was two mills or less. In the remaining nine there were increases of three, four, five, except one (in which there were special circumstances) of 10 mills.

Let us look for a moment at the comparison of tax rates on agricultural land in this province and in other provinces, and again the Department of Municipal Affairs reports will show that in 1956, the average levy for school taxes in the rural municipalities of Saskatchewan was 28 cents an acre; in Alberta, 36 cents per acre, and in Manitoba 39 cents per acre. The difference on a quarter-section basis (if you like) on the average was this: the Alberta rate equalled that of Saskatchewan plus \$12.80 or about 30 per cent, and the rate equalled that of Saskatchewan plus about 40 per cent.

May I just look at this increase in taxation in another way, Mr. Speaker, taking the five-year period, using mills from 1953 to 1957, inclusive. Three units in that period had no increase in their rural mill rate. Seven had an increase of one; five had an increase of two mills and, in other words, 26 (almost one-half), showed an increase of three mills or less. Twelve others increased four mills. In other words, some 60 per cent of our units had an increase of four mills or less; one of them had a 13-mill increase — that's the one with special circumstances I spoke about a moment ago; three of them had 10, and four of them had an increase of 8 mills.

**March 12, 1958**

I would like, too, to refer to arrears of taxes which have been mentioned, and admittedly this matter of tax arrears is a very serious situation. As many members on both sides of the House have admitted, I think this is one type of barometer measuring agricultural conditions in the province. This is one reflection of the inability of the farmer to deliver grain, of the inability of the farmer to get a proper price for what he sells in relationship to his cost of producing it. The member for Qu'Appelle-Wolseley (Mr. McFarlane) said this, if I heard him rightly; he said that the arrears of taxes are going up year by year at an alarming rate. I want to draw particular attention to the phrase "year by year". I draw attention to it because the hon. member had in his hand the document (a copy of which I have on my desk) which shows that, between 1956 and 1955, there has been a reduction in arrears of taxes in 39 units; that there has been a reduction in the total amount of arrears at the end of 1956 as compared to the end of 1955. Yet he said, with the evidence in his hand, that taxes are going up "year by year".

I am not suggesting for a moment, Mr. Speaker, that he was trying to mislead the House by giving wrong information, I am simply suggesting that he was so enthusiastic about playing his role of opposing that he was just careless about the facts which he had at hand, if he had wanted to use them.

There was some reference to the capital debt in our school units, and this also can be commented on. The total capital debt of units their debentures and school loans amounts to approximately \$7 million. This, I think is a very healthy condition. The total assessment of the school units is over \$700 million; they have accomplished, as hon. members will know, a very extensive building program; but they have incurred capital debt only to the extent of \$7 million. In other words, (one means of measuring it), 10 mills over the whole assessment would liquidate it in one year, I think they are in a very favourable position with regard to capital debt. The total school capital debt in Saskatchewan is roughly \$22 million, and again as a means of measuring, 21 mills on school assessment in the province would liquidate it in one year. In Alberta, it would take 65 mills in one year to liquidate their school debt; in Manitoba, it would take 28 mills to liquidate it in one year there. So again I think there are in a very favourable position in that regard.

The member from Maple Creek was concerned that we make a profit from the education tax (whatever that might mean); and here I think he might have studied the budget documents before making the statement. Had he done so, he would have noticed that the revenue not just from the education tax, but from that source plus school lands, plus the interest from money invested in School Lands Trust Fund, plus departmental fees, will amount to something over \$15 million. Had he taken a



second look, he would have noticed that the total to be spent for school grants and northern schools was \$20,350,000. In other words, to pay our school grants and to pay the cost of our northern schools, we will have to use not just the revenue from the education tax but also the revenue from the School Lands Trust Fund, from departmental fees, and we will have to add to that from general revenue, some \$5 million. But the Department of Education has expenses other than just school grants. So, to meet the total cost of the Department of Education for the year, we shall have to take the proceeds from these taxes and add another \$11 1/2 million to meet that bill. If we want to add the capital expenditure of the University, we shall have to add still another \$2 million, making a total of some \$13 million from the general revenue of the province to do that.

Now I want to take a look for a few minutes at school grants. Again there has been the suggestion from across the way, that school grants have not been increased. May I point out that, between the years 1943 and 1948, school grants doubled. By 1955, they had doubled again, and by 1958 they will have doubled again. As a matter of fact, I can take six units across the northern part of the province generally, and say that, in 1958, these six units will get as much money in grants as we paid to all the schools in the province in 1943-44. The units of Nipawin, Wadena, Meadow Lake, Shellbrook, Sturgis and Prince Albert will get as much as all the schools in the province got at that time. Or I can take the cities of Regina, Saskatoon, Moose Jaw, Prince Albert and Swift Current, and they will get as much as all the schools got at that time. As a matter of fact the city of Regina's schools alone will get approximately one-half as much this year, as all the schools in the province got in 1943-44.

We turn now to look at school grants in 1958. To do that we look first of all at the school grants for 1957. Grants in that year were estimated at some \$16,600,000. To this I add the money necessary to operate our northern schools, because this is, in effect, school grants. That gives us a total of approximately \$17 million. Some supplementaries have been placed before the Legislature; so our total expenditure for grant purposes would be roughly \$17,400,000. In 1958, as the budget document tells us, there are \$20 millions for school grants; there is approximately \$350,000 for our northern schools. In other words, the budget provides some \$3,400,000 more than was estimated in 1957, and \$3 million more than what was actually spent in 1957.

Now I come to the changes that are proposed. First of all, we have what we call our basic grant: grants which provide a 'floor', if you like. In 1957, for elementary classrooms the grant was increased from \$600 a year to \$900. We are not proposing any change in that grant this year, in 1957, for high school classrooms. It increased to \$1,100 a year, if the high school classrooms are academic in nature; it could go as high as \$1,450, if they were vocational in nature. We propose to increase that basic rate to \$1,200 in 1958.

**March 12, 1958**

In 1957 the average daily attendance grant was based on \$3.50 per pupil per year. We propose in 1958 that it will be based on \$10 per pupil per year, or an increase of \$4.50 per pupil per year.

Some 90 per cent of our classrooms are in those areas operating 35 or more classrooms, and come under what we call the general formula. This is a formula which determines a percentage which is based on the ability to pay in a district — a percentage of certain allocated costs. Very briefly, we are proposing two changes in that part of the formula which determines the percentage, or the foundation if you like. Remember again, Mr. Speaker, this is the percentage which is on the available resources of the district and on the educational load; in other words, based on ability to pay.

In measuring the educational load, high school classrooms were last year weighted by multiplying by 1.15. We are removing that weighting this year. In 1957, \$3,800 of conveyance costs or expenditures on fees were considered the equivalent of operating one classroom. In 1958, we are using \$3,600 to measure this equivalent. In other words, some additional weight is being given to conveyance costs.

The major change comes in the allocated costs. In 1957, we allocated for elementary rooms a cost of \$3,500. We are increasing that in 1958 only to \$3,600. In 1957 the cost allocated to the operating of a high school room was \$4,000; in 1958 we are increasing that by \$1,000 to \$5,000. We will continue to use actual costs for conveyance and related costs. The effect will be this, Mr. Speaker. Let us consider a high assessed area if you like, the highest assessed area. Suppose it had 100 elementary classrooms. We would allocate costs there then of 100 times 3,600, or \$360,000. Suppose it had 30 high school rooms. We would allocate costs of 30 times 5,000 or \$50,000. Suppose it spent \$40,000 on conveyance. We would then have costs of \$550,000. The grant would be, for that high-assessed area, \$143,000. If, on the other hand, you consider the lowest assessed area, the grant will be not \$143,000 but \$418,000. I should mention that these are just operating grants. In addition, there are capital grants, to purchase buses or to be used in financing a building program.

The average grant for teacher equivalent (that is, teachers plus conveyance and fees converted into numbers of classrooms) will range from about \$3,000 in the low-assessed areas to \$1,000 in the high-assessed areas; again capital grants in addition. The values of the grant in terms of mills of taxation varies from over 60 mills in low-assessed areas to about five mills in the high-assessed areas. In addition to this there are capital grants again. In our lowest-assessed areas if we added the value of last year's building grants — this is about another 11 mills; if it has a similar building program this year, it will receive a total of grants to the value of about 71 mills.

**Mr. Korchinski (Redberry):** — Mr. Speaker, I wonder if the hon. Minister would permit a question. I notice you have abandoned weighting the high schools from the last year's formula. Is there some provision made to compensate for that?

**Hon. Mr. Lloyd:** — I pointed out that, insofar as determining the percentage, we eliminated weighting which was done last year by multiplying, by 1.15. We did this because we found that weighting did not make very much difference anyway, and, secondly, because we made a much larger increase in the allocated cost of high school rooms.

One other effect might be drawn to the House's attention, Mr. Speaker. In the towns and cities which come under this formula, they will be able, with a mill rate of 19 or 20 mills of taxation, plus grants, to finance a program equal to the allocated costs. In other words, they levy 19 or 20 mills and that will give them enough money to operate on the basis of \$3,600 for an elementary room, and \$5,000 for a high school room. In the units, to finance a program of these allocated costs, the spread in mill rates will be from about 13 to 18 mills, which is much greater.

Even with this difference in mill rates, it should be pointed out that the per capita cost in the low-assessed areas is much less (as it should be) than the per capita cost in the high-assessed areas. As a matter of fact, in some cases the per capita cost in the low-assessed areas is only about 15 per cent of the cost in the high-assessed area.

I would, just for a moment or two, like to look into the future. Mr. Speaker, the first thing one sees, of course, is the need for continuing increases — increases in the total amount of money available, and increases in the share which is available from provincial governments. To that objective this Government is committed. These increases should provide a greater equalization affect. To more effectively spend the money, we should, in another year, come to a more specific way of determining allocated costs.

I want merely to mention a problem which will continue to haunt us in trying to work out a really accurate equalization plan. That is the question about assessment which I have raised in this House many times before. We don't know yet the exact relationship between urban and rural assessment. We are not yet altogether certain about the relationship between of different kinds of land. This problem is receiving attention from the Assessment Commission and from the Continuing Committee.

May I turn now to some of the problems of education aside from those of money, although related again to the supply of money.

**March 12, 1958**

All members will agree that the question of teachers' supply is a key one, insofar as education is concerned. I would like to quote here a statement which appears in an article in 'The Star Phoenix' of March 3rd, by Dr. Kirkpatrick, the Dean of the College of Education at the University of Saskatchewan. He was writing of the Canadian Conference on Education. He said this:

"Delegates from Saskatchewan who attended can honestly report that our province is well ahead of most others with respect to both the quality and equality of its teachers. We have, for one thing, the highest requirements for initial certification of any province in the country. This is no time to relax."

We in this province employ something over 8,000 teachers. We have this year reduced the number of study supervisors to 99, and that is, of course, 99 too many. It is gratifying to report that there is a continuing improvement in the level of certification. Our teachers in the province are making a very real effort to improve their certificates. During the last seven years, the number of teachers with university degrees has increased by 340 to now some 1145. During the same period, the number of teachers with two years of training has increased by over 1,000 to almost 2,000.

Our enrolment at Teachers' College is this year down by 15, but the enrolment at the College of Education (people who are improving their certificates) is up by 48. We have in total enrolled at our teacher training institutions, some 981 students.

May I just mention some of the problems which must be faced, must realize that we are losing too many people from the teaching profession, and I think statistics can be produced to show that the loss is greatest among those teachers who have the least amount of training. This raises the question — should we be considering a longer initial period of training? This, admittedly, might give us fewer people to go into the teaching profession in a year, but it would give us people with more maturity and with a broader background. It would be a higher cost but less turn-over.

I raise a second question. What about entrance qualifications to teacher training institutions? Should these be raised, realizing that raising them might mean fewer admitted, but would make better selection?

I go directly on from that to making a statement that is related, and that is with regard to the Provincial Technical Institute. Many people in the province have been concerned with

regard to the location of this institute. In making the difficult decision regarding the location, the Government had to take into consideration problems facing the Department of Education of a variety of kinds. We had to take into consideration the facilities in the Government that were available, and, of course, those factors necessary to develop an effective program of trades and technical training. I have just mentioned the general problem of teacher training, the need of encouraging a longer period of training. The desirability of better co-ordination with the University could be added to this. These have occupied much of our attention during recent years.

Before a teacher can obtain a permanent certificate in Saskatchewan, two years of study after Grade XII are necessary. The first of these is usually taken at a Teachers' College, and the second must be taken at the University. Obviously the two years should fit together, and not just be two years without relationship, so the advisability, or (better yet), the possibility of requiring two years of preparation before any certificate is issued must be considered carefully.

It seems certain that, within a period of two or three years, a much more definite and integrated arrangement for teacher training will be in effect between the University and the provincial Department of Education. If the two-year course is to be a minimum requirement, or even if it is to provide for effective co-ordination between University and Department, the problem of proximity of institutions is important. With the completion in Regina of the Health and Welfare building in 1959, the building, formerly the Regina Normal School, becomes available for other use. It was designed as a teacher training institution. It can be used most effectively for that purpose. It is immediately adjacent to Regina College. Our first decision, then, was to transfer in 1959, the teacher training work presently carried on at Moose Jaw, to Regina. Some classroom space, I may say, may be available for Regina College purposes.

I would like to emphasize that the presence of the two student groups and the two staffs on what is virtually the same campus, will be beneficial in itself to both. Students will be able to complete two years of College of Education work at Regina. They will be able to qualify for a standard certificate. The two years can be better co-ordinated. Integration will be possible and agreed to. It seems obvious that these advantages to Saskatchewan education, to Saskatchewan people, could not accrue without making the move to Regina. Teacher training, then, will be carried on still at two centres in the province, but at those centres in which the University also operates.

The second decision is now, of course, obvious. It is

**March 12, 1958**

to use the present Teachers' College facilities at Moose Jaw as the initial part of the technical institute. The necessary shops and some additional classrooms will have to be provided by the fall of 1959. More and additional buildings will have to be provided for in next year's budget. This will mean the transfer to Moose Jaw of a number of trades courses presently being given in the province. In 1957, in the month of March, enrolment in trades courses reached a high of 323, but in January of 1958, the enrolment was 387. This was 120 higher than the enrolment in January, 1957. This trend, one of very substantial increase, is one with every indication of continuing. With the enrolment in new courses of a technical nature which will be available, when this is added to the ones I have already mentioned, it is evident there will be a very substantial and increasing student body in attendance at the institution in Moose Jaw.

May I say one further word with regard to the buildings and the site in Regina to be used for teacher training. As the province expands, as university enrolment increases, it will become economically possible and educationally feasible to extend the educational offerings of Regina College. Consequently, it seems wise to reserve the present available space to that area for extension of activities of a university nature. It would be wrong, I suggest, to pre-empt the space which the technical institute will require for non-university purposes in that area.

In Moose Jaw, we have the site on which the Teachers' College is presently located. In a brief presented by Mayor Hampson of Moose Jaw on behalf of the city of Moose Jaw, the Moose Jaw School Board and Moose Jaw Chamber of Commerce, a site near the Saskatchewan Teachers' College was recommended as the choice one in that city. The brief points out that, because of its proximity to the Teachers' College, an added recreational field could be developed. It added — "the land is city-owned and available to the province." With such co-operation from the city, space should make possible a considerable expansion over a number of years.

May I just report that planning with regard to the institute has continued during the year. A committee made up of representatives of a number of government departments and agencies had numerous meetings. The Department of Labour is naturally and particularly and keenly interested in the program. We have had one meeting to which were invited representatives of a number of organizations in the province and more specific consultation of this kind is desired. The principal of the Alberta Institute of Technology and Arts spent a couple of days with us, and answered numerous questions. A survey to determine more accurately the training needs of the province is under way. The position of principal for the institute was advertised last year. When the applicants in whom we were most interested were

not available, it was decided to advertise again at a higher salary. Some of those who responded to this advertisement will be interviewed in the near future. In the meantime, however, one short course of two months' duration, undertaken on behalf of the Department of Highways and dealing with surveys and related techniques, has been completed, and a second course is under way. This is a kind of a course in which I am certain municipal authorities and employees may well be interested in the future.

One feature of activity which should not be overlooked in this regard is the possibility of a considerably extended night-school program. This kind of program can be made available not only in the institute itself, but in other centres of the province. It should also be noted that while the main activity will be at the institute, there remains the possibility of special courses particularly adapted to a particular locality in those localities. If, for example, it becomes desirable to develop courses relative to the forest industry, it would seem logical to consider the possibility of courses in Prince Albert.

I want to thank those people and organizations in several communities who have indicated a keen interest in this project. It was inevitable from the beginning that there would be some disappointment on the part of those who had sufficient pride and belief in their community to believe that it was the best, and indeed the only possible choice for the site of the Technical Institute.

Perhaps it would be well at this moment to say a word about the distribution of educational facilities provided by the Government in the province. At Saskatoon we have developed an excellent University, well known for both its teaching and its research. Capital expenditures on these facilities since the war, not including the University Hospital, has been in excess of \$10 million. Capital expenditures there will continue to be heavy for a period of years. At Saskatoon also is one of the provincial Teachers' Colleges. Here in the city of Regina there is Regina College, and in the near future, to be associated with it, a branch of Teachers' College. This will add some 300 students to the Regina student population. At Moose Jaw, only 40 miles away, will be the Provincial Technical Institute with a possible enrolment of the nature to which I referred. This Institute will play an increasingly decisive part, providing training opportunities for Saskatchewan's people, and, as a result, in providing the trained personnel necessary to continue the rapid rate of development of Saskatchewan industry.

May I turn now to look again more formally at what is happening in our school system, to say something about what has happened, since we last met, with regard to re-grouping of schools. We have still in the province of Saskatchewan some 423 one-room schools with an enrolment of less than 10. We

**March 12, 1958**

always will have a certain number of those. On Friday afternoon of last week I was absent from the House, attending, a very enjoyable function. It was the formal opening of a new central school in one of the cities of this province — the city of Weyburn. Here they are bringing into the city of Weyburn the youngsters from about 20 districts — the high school youngsters going to the Collegiate with which the unit has an agreement, the elementary school youngsters going to a school which the unit has built in the city. Last year they used 16 teachers to teach these youngsters. This year they are using eight.

This kind of development can do much to make it possible for us to concentrate on quality of teachers, not continually spend all of our energy just on quantity. This is one answer to the problem of retaining teachers in the profession. This is one answer to the problem of retaining students for longer periods of years in school. This is one answer, yes, of keeping people on the farms who might otherwise go away from those farms. Since last year there have been 46 new larger attendance areas developed. There have been some 5,670 pupils conveyed, who were not conveyed before. Of these 1,760 were high school pupils. The total situation is this: in our school units, not counting those who are conveyed by personal cars on a sort of individual family basis, there are more than 24,000 pupils being conveyed, about 16 per cent of all the youngsters in the units. Of these, more than 6,400 are high school youngsters. In addition to this the units spend more than \$1 million in providing fees and assistance to a number of other youngsters. It may be of interest to know that the unit which carries the most youngsters by bus is not in the south or the prairie part of the province. It is the unit of Prince Albert, which is now conveying, by bus more than 1,000 students.

There has been a continuation of a heavy building program. Part of this is due to the centralization program, part of it is due to the urban population growth. Last year roughly \$9 million was spent for school buildings in the province. Some 407 new classrooms were provided, some 59 new teacherages were provided, and about 72 classrooms were reclaimed.

I would like to say just a word or two about curricula. It has been announced, that the high school curricula has been revised. I would like to point out this is not a new procedure, Mr. Speaker. It is a continuing process. Over the last few years our major emphasis has been on the elementary program. We are now putting that emphasis for the next time on the high school program.

Perhaps a word about the procedure we use is in order. We have a committee known as a General Advisory Committee, which is made up of representatives from a number of different groups



and organizations across the province. It includes both lay persons and professionals. The responsibility of this Committee is majorally to put into words what the public wants to have happen in the schools. We have the Steering Committee made up of representatives of the Department, of the University, and the Teachers' Federation. Its responsibility is to interpret, to give detailed direction. There will, in addition to that, be a number of subject-matter committees, made up of teachers, to develop specific outlines of study and to select tests. Just as an example of this kind of participation in the development of the elementary English program which was completed a year or two ago, more than 1,500 teachers actually took part in the building of that course.

Secondly, with regard to curriculum, we intend to develop in the province, this year, the first stage of an overall provincial testing program. There has been a great deal of testing going on in the units and the cities for a number of years testing of mental achievement, testing of ability in mathematics, English, and so on. We feel it is desirable to do some of this on a provincial basis, so, this year, probably in mathematics, we will have a testing program of all the youngsters in certain grades in the schools all over the province. This will enable us to better establish standards for the province.

I wanted to mention something about discipline because the official spokesman in the Opposition had something to say about discipline when he spoke in the budget debate. He had some reference to something which he called a "philosophy of coddling" and he interpreted this, as I took it, as trying to interest students in studies. This was somehow related to this matter of 'coddling' students. Well, may I say that discipline is essential. I don't know of any responsible person in education who ever suggested it wasn't. But there is the question of how you attain discipline. There is the important question of what kind of a person does your methods develop. It isn't too easy to keep discipline with a baseball bat — if, that is, you are big enough and the people you are disciplining are small enough. But having done so, you haven't necessarily developed a disciplined person. Discipline comes from understanding; comes from sensitivity with regard to another person's right; comes from the concern which people have for other persons' welfare. Discipline is developed by giving our young people the opportunity to exercise responsibility; by giving opportunities to develop standards of judgment. Discipline is not just a matter of order. It is developed because it is a reasonable, sensible and civilized kind of relationship, which we must have if we are going to have a decent society at all.

May I say with the regard to the derision of interest which I felt the member expressed — interest is essential for learning, but interest is not equated with easiness in any sense whatsoever. That which is not difficult is frequently most interesting.

Because there is a very considerable amount of concern

**March 12, 1958**

with regard to whether our young people are achieving proper standards in what may be called the basic subjects or the 'tool' subjects, I want to assure the Legislature and the people of the province that that is necessary, that the Department of Education is in wholehearted agreement with everybody who says these are important. We always have been, we always will be. These are key subjects. These are the ways by which, we unlock the wisdom of books; these are the ways by means of which we solve the mathematical problems which come to us. But it is not just enough to have these tool subjects, to be able to use them. It is necessary also to want to use them, and also to use them properly for reasons which are justifiable and worthwhile.

I ought also to mention a question which is raised by many people as to whether or not the bright student, the very able student, is getting enough attention. There are some who raise the possibility of segregation, (if you like), picking out these exceptionally able of our young people, having special classes and special teachers for them. But there is a great deal of conflicting opinion about whether this is a good thing to do, or whether it is not a good thing to do. Here in Saskatchewan we have to realize that even though this is the best thing to do, it is not a possible thing insofar as most of our schools are concerned. It is possible, and indeed it is done to some extent, in our larger cities, some of our larger city schools. But insofar as most of the schools in Saskatchewan are concerned, this is not a possible procedure. I suggest to you there is only one real answer of how to do the best for the bright youngster along with all the others. That is to realize this. We have to have as teachers, good persons to begin with. Good persons who are trained, so that they can recognize individual differences. We have to give these teachers a chance to teach classes which are not too large; we have to give them adequate libraries and other equipment. Under those circumstances the course of study is such and will be such as to be adequately challenging to the brightest of our young people.

I would like to raise, too, the question of overall motivation in regard to our education system. Since the success of Russia in putting Sputnik into the air, there has been a great deal of thought about what we need to do in order to compete or to compete. May I just say this briefly, it isn't good enough to put more money, more effort into education just because Russia has more scientists or has produced more missiles. But if that is the nature of our motivation, I suggest to you that, as certainly as I stand here, we will fail in our objective. It is necessary to do right things, but it is necessary to do right things for the right reasons. Find the basic reason for doing better in

education remains this: our belief in the rights of individuals, our respect for the worthwhileness of human beings, and our belief that there can be a good life for all people. Any motivation less than this and we shall certainly fall short of the desirable and the possible.

There has been a very gratifying growth in the province in the opportunities available for handicapped children. Here I must pay credit to school boards, private organizations, and to a number of individuals who have played such an able part in developing these facilities. There are 54 classes in operation throughout the province, providing special opportunities for physically and mentally handicapped youngsters. Two of our cities, Lloydminster and Yorkton, are planning classes for the severely retarded. Swift Current and Prince Albert are planning an extension of their auxiliary classes. In addition to these 54 classrooms, there are 14 teachers employed in hospitals and restoration centres of the province. In addition, the Department of Public Health has four teachers at the Training School in Moose Jaw. The Department of Social Welfare employs two teachers at the Boys' School. The Department of Education pays grants to the Shriners' Hospital in Winnipeg to help pay the cost of educating Saskatchewan children who are there. We pay a grant to the University Hospital for the same purpose. We operate that very fine institution, the School for the Deaf in Saskatoon, and provide the cost of blind youngsters in the province who go to Brantford, Ontario. So all in all, there has been a very gratifying development — a development that indicates an increasing sensibility towards those people who are less fortunate than most.

I would like to talk, just for a few minutes, about the Saskatchewan Research Council. I haven't said much about this, other years in the budget debate or other debates; but this year is rather a special year. It is special because, on October 1, 1958, we will have the official opening of the new Research Council Building located on the campus of the University of Saskatchewan. A number of us may recall that, some two years ago, the activities previously carried on in the Department of Mineral Resources; research work were combined with those of the Research Council. This summer the whole activity will be moving to Saskatoon. We are having the official opening on October 1. All members will be receiving an official invitation at a later date, Mr. Speaker; but I would like to ask them now to put down the date in their little black books (or wherever they carry these things) and if at all possible, to attend.

During that day we are going to have in the morning a symposium or a discussion on research, with special reference to Saskatchewan. This is not going to be a discussion for the professionals, the scientists. It is going to be, we hope

**March 12, 1958**

(at least we have asked for it), a discussion which people like all of us here will be able to understand. We have been very fortunate in that Dr. Steacie, Director of the National Research Council, is going, to take part in that discussion. Dr. Spinks, who is Chairman of our Technical Committee, in the Research Council, and head of the Chemistry Department and Dean of Graduate Studies at the University, will talk about research in Saskatchewan. Mr. Black of the Industrial Development Office will talk about the needs of industry for research. The discussion will be chaired by, that fine gentleman who has done so much for Saskatchewan in this field, Dr. Thorvaldson, previously of the University, in the afternoon, the official opening ceremonies will take place at which the Premier and Dr. Thompson, President of the University, will both speak; in the evening, a banquet at which the guest speaker will be Dr. J.C. MacKenzie, former Dean of Engineering at Saskatchewan University, formerly Chairman of National Research Council and now sort of semi-retired, will be the guest speaker.

This will be an opportunity to see the Research Council Building and, more important, to see something of the work that can, that as many of the members as possible may find it possible are doing, and, of course, to visit the University generally. I would like to extend a hearty welcome, and to urge, as best I can, that as many of the members as possible may find it possible to be in Saskatoon on October 1.

The report this year indicates something of the scope of the work; indicates the value (or at least the potential value) that there is in the studies under way. All, I may say, are of value to our agricultural interests, although they are not all pertaining to agriculture, but valuable to those interested in agriculture because of what they can mean in the rest of our economy. It would be, for example, of considerable advantage if the work with regard to low-grade uranium ores, and possible means of processing them, comes to a satisfactory fruition. It looks very hopeful. Work is going on with regard to the possibilities of using the tar from our lignite coal. There is a study under way dealing with better means of carbonizing our lignite coal. This could mean much to the lignite coal industry. We have had some very good studies dealing with soil mechanics — one might call it building foundations. The findings have already been useful to those constructing buildings in the province, and to those constructing highways in the province. There is a study, several years old now, in connection with the utilization of wood. Very encouraging have been the results from a study of the use of rape seed oil as an additive for lubrication; along with that, a study of the use of rape seed meal, a study of hydrolyzation of wheat and wheat starch, with an aim at the possibility of using that wheat starch for syrup production.

I could go on, but that is enough to indicate something of the broad area which the work of the council has covered. There is one new project to be undertaken this year. A ground water survey will be undertaken in conjunction with several

departments of the Government here, and with the Federal Department of Mines. The information which will be made available over the years, useful to individuals, will be useful to communities concerned with community water supplies, and will be useful to industry. You will find in the report also some reference to the information service. We get a grant of \$10,000 for this from the National Research Council, and we spend more than \$10,000. This is used by an increasing number of industries in the province which are too small to have any research branch of their own, too small to have enough qualified engineers. More and more of them write to this branch. I hope that hon. members will make it known to people throughout the province that here is a place where they can get a great deal of information about their technical problems.

I want in closing to pay commendation to two groups of people; first of all, those employees who have worked in the laboratory here in Regina under most difficult conditions for a number of years, and secondly, to the people at the University without whose help the activities simply would not have been possible.

Mr. Speaker, there are a number of other activities in my department or agencies for which I am responsible, that could properly be mentioned. I am not, however, going to enjoy the opportunity of doing so this afternoon.

May I just in closing say this. The budget documents provide us with information about the economic conditions and economic trends in our province. They provide us with an assessment of our means to do the things which we propose to do. I suggest again that the Opposition had no comment and no criticism with regard to this part or the budget document. The budget, secondly, provides the basis of distribution of revenue which is available to the Government. In regard to this the Opposition again has nothing to say, like Oliver Twist, (I think it was), to say every once in awhile "more". They have offered no alternatives.

Thirdly, the document is an instrument of democratic, responsible government. It indicates the plans of the Government to put into effect a platform in which it was elected by the people of the province. This budget accurately describes our economic conditions and trends. It provides a desirable distribution for our social and economic purposes in the province. It is one more step in fulfilling our responsibilities to the people of Saskatchewan, and I, Mr. Speaker, am pleased to support it.

**Mr. Speaker:** — The hon. Treasurer is about to exercise his right to close the debate. Any member who wishes to speak should do so now.

**Hon. Mr. Fines:** — (Closing) Mr. Speaker, there is very little that is necessary for me to add at this time. I would like to congratulate the Minister of Education on

**March 12, 1958**

the wonderful manner in which he has summed up the case for the Government. I think we were all greatly inspired by what he has told us here today, and there is very little left for me to say at this time.

I would, however, like to take this opportunity of thanking all those who have taken part in the debate and I believe that that is, probably, all but three on the Opposition side and a few more on this side who have not taken part. I am sorry that we have had no alternatives presented. I am sorry that the Opposition has not been critical of the budget being either too large or too small, or not enough being given to this department and too much to another.

There was, at one time in this province, a Liberal Opposition that was critical because the budget was too large. But, never once this Session, did I hear any suggestion from the Opposition side . . .

**Mr. McCarthy (Cannington):** — It would not do any good, anyway.

**Hon. Mr. Fines:** — . . . that the budget was too large. So I am glad that they have come along with us to accept the statements which I have made, in former years, to the effect that the people of Saskatchewan are not afraid of a large budget as long as they know that the money is being spent wisely and well.

**Mr. McDonald:** — You haven't got it yet.

**Hon. Mr. Fines:** — Mr. Speaker, we are going to vote in a few minutes on whether or not this House goes into Committee of Supply to vote certain sums to Her Majesty. We shall see then whether hon. members of the Opposition are going to stand up and be counted as being in favour of these things we are making provision for, this year.

We have heard in previous years, a great deal about waste, inefficiency. We have heard this year, about money being spent wastefully in connection with the Boys' School. I notice we are spending \$81,690. I have here in my hand the last Budget Address, given on February 7, this year, in the British Columbia Legislature by the Premier of that province, who is also Minister of Finance. In the province of British Columbia they are spending, this year, \$1,074,000 to take care of juvenile delinquency. In Saskatchewan, we spend \$81,690, and yet we have people on the Opposition side who dare to get up and criticize the fact that we have a staff of 15 because we happen to have only 15 or 20 or 25 boys.

**Mr. McCarthy:** — There are a lot more who should be in there.

**Hon. Mr. Fines:** — What is better — to spend this \$81,000

and properly look after these boys, or allow them to deteriorate to the extent that we shall have to spend a half million dollars annually to meet this problem? I think it is better that we have been able to save the people of this province in this one field millions of dollars.

There has been some criticism here because we are not spending enough on agriculture. I believe it was the member for Maple Creek who made the statement that we only spending in the neighbourhood of 5 per cent on agriculture. Well, I have here a copy of the Manitoba Estimates, and what do I find there? They are spending a total of \$2,139,000, or 2.6 per cent, or approximately one-half of what we are spending. That is a Liberal administration! And that is the importance they attach in that province to agriculture.

We heard, yesterday, one of the members in the Opposition critical of the Government because we dared to help an industry to come into this city, (I refer to the Cement Corporation), because we dared to guarantee \$5 1/2 million, after they had raised \$2 million themselves.

**Mr. Gardiner:** — Why did you criticize the pipeline?

**Hon. Mr. Fines:** — Mr. Speaker, the company repaid, last year, the first of the repayment in the amount of \$550,000 and we received a guarantee fee of \$110,000 which was actually paid into the treasury of this province for guaranteeing this sum; and \$550,000 of the bonds have been retired.

We heard another silly statement, last night, to the effect that Manitoba was debt-free. And we heard the hon. member for Arm River (Mr. Danielson) quoting from the Dominion Bureau of Statistics. Well, I have the Table from the Dominion Bureau of Statistics also, and what do we find? He quotes only one thing — direct debt. He points out, for example, that in the province of Manitoba their debt is much lower than that of Saskatchewan; but what he does not do is consider the 'indirect debt'. Now, Mr. Speaker, it would be very easy, in Saskatchewan, if we should say to the Power Corporation: "We will issue bonds of the Saskatchewan Power Corporation to be guaranteed by the province or Saskatchewan," or to have the Department of Telephones issue bonds guaranteed by the province of Saskatchewan. Now, Mr. Speaker, would there be any difference in the responsibility of the province in any way, no matter which way it is done?

**March 12, 1958**

**Mr. Danielson:** — Keep the smirk off your face.

**Hon. Mr. Fines:** — Here we have the statement which is published by the province of Alberta . . .

**Mr. Danielson:** — Never mind Alberta. Speak about Saskatchewan.

**Hon. Mr. Fines:** — Now, Mr. Speaker, I have the figures to show that the hon. member has misled this House on many occasions in connection with this.

**Mr. Danielson:** — That is an absolute untruth. I have not misled anyone.

**Hon. Mr. Fines:** — Mr. Speaker, I am sorry. I withdraw that statement. The hon. member has not misled us; he has tried, but has failed.

**Mr. Danielson:** — Twisting and squirming.

**Hon. Mr. Fines:** — What do we find? In the province of British Columbia . . .

**Mr. Gardiner:** — He forgot about Manitoba all of a sudden.

**Hon. Mr. Fines:** — In the province of British Columbia they have a direct debt of \$183 million. Then they deduct the sinking funds of \$98 million. Then what do they deduct? They deduct the debt incurred for self-liquidating purposes, and then they subtract that from the gross debt and they get their net debt.

Now, Mr. Speaker, when you consider that in this province we borrow the money for the Power Corporation, hon. members opposite like to add all that money to our debt; but in the other provinces they don't wish to do it. What do we find here in connection with the distribution of debt? Here is something published by the Dominion Bureau of Statistics. What is it? "Provincial distribution of debt." What does it show? It shows a total for Saskatchewan of nearly three hundred million. The only problem with this is that it has included some of our indirect debt as well.

The statements which we have given the House from year to year are statements that are audited, statements which are in common use in every province in Canada. I was amazed, the other day, at the hon. member for Nipawin (Mr. Nicholson) when he was critical because our debt was going up at the rate of \$50 million a year. May I suggest to him that I don't think he did this because he wanted to mislead the House, but simply because he had not taken the trouble to study the tables. If he would study the tables in the back of the Budget Address, there he will find what has happened to our debt.



The self-liquidating debt has gone up from 1944 until today it is \$236 million; that is the Power debt, the Telephone debt. Now in British Columbia, they don't put that into the debt at all. They call that 'Indirect Debt'. But the important things — the deadweight debt for example, Public Buildings in 1944 was \$23,419,000; today it is \$11,400,000. In other words, we have paid off \$12 million on the debt that was created by former Liberal and Conservative governments for the construction of public buildings.

**Mr. Danielson:** — And now it is \$59 million!

**Hon. Mr. Fines:** — One of the important things is that, in the meantime, we have built \$50 million worth of buildings, as was pointed out by the Minister of Public Works (Hon. Mr. Willis), and there is no debt whatsoever on that. In other words, all of the buildings that have been constructed since this Government was elected in 1944, have been paid for and, in addition, we have paid \$12 million off such things as the building in which we are in, today.

Do you realize, Mr. Speaker, that from 1905 to 1944, the total value of the buildings constructed was \$24,200,000, and there was still a debt outstanding of \$23,400,000, that only \$800,000 had been paid off? That \$800,000 was all they had paid through all those years.

**Mr. Danielson:** — That's less than two years of your liquor profits.

The same is true of highways. I am going to give you the total spent on highways, from 1905 to 1944, because you cannot separate capital and so much of it comes under maintenance. The total amount spent from 1905 to 1944 was \$87 million, and we found there was a debt of \$32 million. Since 1944, up to the end of the last fiscal year, we have spent \$161 million on highways, and yet we find that the total debt has been reduced from \$32 million to \$29 million. In other words, every highway which has been constructed by this Government has been paid for by this Government, and we have paid off \$3 million of these debts which were left to us by a previous Government.

One could go all the way through those deadweight items . . .

**Mr. Nicholson:** — On a point of privilege, Mr. Speaker. The hon. Minister made the suggestion a few moments ago, that I had made a silly statement regarding the debt position of the Province.

**Premier Douglas:** — That is not a point of privilege.

**March 12, 1958**

**Mr. Nicholson:** — He was not in . . .

**Mr. Speaker:** — Order! Order! If the hon. member for Nipawin has a point of privilege, let him state the point on which he was misquoted.

**Mr. Nicholson:** — I have here the article which I used to draw my conclusions concerning this matter, and I would like to read just a bit of it.

**Hon. Mr. Fines:** — Well, Mr. Speaker, that is not a point of privilege. That is on the record.

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Fines:** — It is on the record. I could get up here, this afternoon, and point out that our debt is \$31 million, but we have now got \$33 million in the School Lands Fund, and, therefore, the Province of Saskatchewan is completely free of debt.

**Mr. Nicholson:** — Would the Minister give this Province's reply to this statement? This is by the Manitoba Farmers' Union, which should be a reputable organization. It says that Alberta and Manitoba are the only two provinces in Canada which could pay off all their debts and still have money to spare.

**Hon. Mr. Fines:** — The statement is not true insofar as Manitoba is concerned.

**Mr. McDonald:** — It is true.

**Hon. Mr. Fines:** — It is as far as Alberta is concerned, but it is not true insofar as Manitoba is concerned.

**Mr. Gardiner (Melville):** — We'll take the Farmers' Union's word.

**Mr. Danielson:** — This is getting worse than the Mossbank debate.

**Hon. Mr. Fines:** — Mr. Speaker, I want to say something about Crown Corporations. We have heard a great deal about Crown Corporations from hon. members opposite, and, I may say that it is a matter of record. It is recorded so that I think there need be no misunderstanding as to whether or not the Crown Corporations have made money or lost money. I have tried to work something out for the hon. members which I hope will give them the picture they want.

**Mr. McCarthy:** — The picture you want, more likely.

**Hon. Mr. Fines:** — The other day I distributed this statement which gave the results of all Corporations for each year from 1945 to 1956. We also distributed a statement

which gave the results for 1957. It is a very easy matter to put those things together. However, hon. members say, that we have not included interest. I have therefore worked out a table which I am going to lay on the Table of the House so that all hon. members will have it and be able to see exactly what change is made when we allow interest on all the moneys that have been advanced to the Crown Corporations. There it is. I find, that a total of \$8,638,000 has been advanced. Now, if you include interest on that, with the interest compounded, it, amounts to \$3,759,000. (I have it worked out in simple or compound interest, so you can have it whichever way you want). I have the interest on the advances out of revenue account, and then the deficits paid by the Provincial Treasury amounting to \$1,453,000, and I have added interest compounded on to each of those, each year, that is \$320,000 compound interest. Then I have the surpluses paid to the Provincial Treasurer, and I have done the same thing here. I have taken the interest on the amounts which have been turned back . . .

**Mr. McDonald:** — Oh, for heaven's sake!

**Mr. McCarthy:** — You missed your calling. You should have been a juggler.

**Hon. Mr. Fines:** — You see, this shows the absolute incompetence of hon. members opposite to figure anything above \$1.00 financially. May I point out, Mr. Speaker, that this statement shows that, after we have taken all the surpluses in, subtracted the deficits, deducted the interest on the revenue advances, and added the Government Finance surplus as at the end of the year, and added the surplus reserve of the Crown Corporations at their year ends in 1957, we find that the total return from Crown Corporations up to March 31st is \$5,374,000,

**Mr. Gardiner:** — In other words, there is nothing.

**Hon. Mr. Fines:** — I have just made that available to hon. members. There is very little one need say more.

I would like, however, before I sit down, to recommend a book which you will find in the Library. It is entitled "Public Corporations", and was put out by Dr. Friedman, of the University of Toronto. This book was paid for by the Carnegie Corporation. This book deals with Crown Corporations, not only those of Saskatchewan and of Canada, but the Crown Corporations of practically all countries of the world: how they have tried to solve this problem of how to provide government control and legislative control and at the same time give all these corporations some freedom. A couple of things are pointed out in this book, which, I think, are very interesting and which I would like to read to the members of the House. In connection with government control (that is the co-ordination such as we have through the Government Finance Office), it says:

"Saskatchewan appears to provide the only example of deliberate co-ordination and supervision

**March 12, 1958**

over the activities of different Crown Corporations under a single government agency — the Government Finance Office,"

Then the author goes on to say:

"Other countries would do well to study the Saskatchewan example where the Government Finance Office is not only a central financial agency through which the Legislative and Treasury departments are able to operate, but also an agency to co-ordinate reviewing policies pursued by the particular Corporations."

Then there is another statement here. This has to do with parliamentary control, or legislative control. This is what the writer says:

"Of all the other countries dealt with here, Saskatchewan alone seems to have provided a select parliamentary committee on Crown Corporations."

And then, after some other things, he goes on to say:

"If the public corporations are to be counted, as they have already in many countries, as an important sector of national economic life, a more systematic and streamlined parliamentary control and procedure will have to be evolved, and it may be that the Saskatchewan example will prove interesting to other countries."

In other words, Mr. Speaker, here in Saskatchewan, again, we are recognized by an authority on this subject as having given the lead to all the countries of the world in trying to solve this problem of how a legislature is going to be able to find out something about what is going on.

**Mr. McDonald:** — The best in the world.

**Hon. Mr. Fines:** — I think our hon. friends opposite should realize that we have given to them information which is not available in other parliamentary jurisdictions — the opportunity to examine these Corporations.

**Mr. Gardiner:** — We can ask, but they won't answer.

**Hon. Mr. Fines:** — Mr. Speaker, again in closing, I would like to say that now hon. members will have an opportunity to stand up and be counted whether or not they are going to support another increase of \$3.2 million for educational grants; whether they are going to vote against . . .

**Mr. McDonald:** — Question! Question!

**Mr. Loftson:** — Five o'clock.

**Hon. Mr. Fines:** — . . . additional help for our schools . . .

**Mr. Speaker:** — Order!

It being 5 o'clock, Mr. Speaker interrupted proceedings pursuant to Standing Order 46 (3), and forthwith put the question on the motion (Hon. Mr. Fines) for Committee of Supply, which was agreed to, on recorded division, by 30 votes against 16.

The Assembly, accordingly, resolved itself into the Committee of Supply.

At 5.30 o'clock p.m. the Assembly adjourned without question put.