

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

Tuesday, March 3, 1959

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

BUDGET DEBATE

The Assembly resumed from Monday, March 2, 1959, the adjourned debate on the proposed motion of the Hon. Mr. Fines: that Mr. Speaker do now leave the Chair (The Assembly to go into the Committee of Supply).

Hon. R.A. Walker (Attorney General): — I am very pleased to repeat what I said yesterday, to the effect that I wish to congratulate the Provincial Treasurer on the excellent budget which he has presented to this House.

I do not propose to take any more time than I have, last night, in dealing with the program of the Department of the Attorney General or of the Provincial Secretary. I would like, however, to comment on some statements that have been made by Opposition spokesmen, in this House and outside, with regard to the claim that, in Saskatchewan because of the C.C.F. Government, industry is languishing and population is decreasing. I have the figures for the population in Saskatchewan for the last ten years, and while I think this is not altogether a conclusive answer as to the industry and imagination of this Government, I think it does bear some examination.

The mistake which my hon. friends make when they get into arguments about population is that they take total population and try to prove a case on that. Everybody knows that in this province it consists very largely of an agricultural population. Everyone knows, too, that the agricultural population depends upon two things: the amount of arable land which can be cultivated, and the size of unit which is most economic for cultivating and farming that arable land. There is no way that any appreciable addition can be made to the total agricultural acreage of this province. Most people know that, during the last ten or 20 years, there has been a virtual revolution in the methods of farming in this province, and that the country side is dotted with vacant farmsteads and vacant half-sections which were at one time occupied by farm families. These are now being farmed by larger units of farming, and to deplore the decline in the agricultural population in this province would be to advocate that more farmers ought to be occupying the same amount of land.

It is entirely possible that our land could be as well farmed or better farmed if it was farmed more intensively than the larger units, but this is a fact which is governed largely by the economic conditions prevailing in the country. Economic conditions as they apply to agriculture are largely determined by Federal fiscal policy, not by the policies of this

Government. Therefore, in the light of those Federal policies and in the light of the industrial revolution that has occurred in agriculture, it is inevitable that there will be a reduction in the farm population of Saskatchewan. However, if you divide the population of Saskatchewan into “agricultural” and “non-agricultural”, and treat both sections of the population separately, you get some more reliable picture of the effects which the policies of this Government have upon population. I find, for example, that in 1941, there were 514,000 people living on farms in this province. By 1946, that had declined to 443,000 – a decline of nearly 70,000 people. In the period from 1946 to 1956 it had made a further decline of nearly 80,000 persons – from 443,000 to 360,000. The total decline in the five-year period from 1951 to 1956 of 18.40 per cent, in the 15-year period 1941 to 1956, a total decline of 29.9 per cent. This is a natural and, I suggest, an inevitable result of the mechanization of agriculture.

This Government has something to do with the economic climate that prevailed in the non-agricultural sector of our economy. This Government by deliberate policy sought to encourage industry in this province, and the census figures show a very substantial amount of success in that effort. In 1941, we had 381,000 people in Saskatchewan in the non-farm group. That had increased in the five years from 1941 to 1946, from 381,000 to 389,000 – an increase of 8,000 or about two per cent during the last five years of Liberal rule in this province. What happened after 1946? The non-agricultural population increased from 1946 to 1956, in the ten-year period from 389,000 to 520,000 or an increase of 33.6 per cent. This contrasts with the province of Manitoba where the increase in the non-agricultural segment of the population was only 29.8 per cent. So I suggest that these figures do show – do establish that the industrial development policies of this Government are paying off in terms of increased population engaged in industry.

My hon. friends may say, “Well, how does that benefit the farmer?” Well, I say it benefits the farmer in this way. We now have dependable sources of tax revenues and dependable sources of personal income, so the majority of the people of this province are no longer dependent directly upon the export sales of surplus agricultural commodities, and the results of this increased independence, which has been built up in the province of Saskatchewan, has been after three or four years of disastrous farm policies, three or four years when agricultural income had declined to a record low – to lows paralleling the 1930’s – we were still able in this province to base our economy upon an expanding situation. We were still able to provide increased services from the Government. We were not required to go back, as they did in the 1930’s, to a bankrupt system of provincial finance. This has reflected in increased governmental benefits through enlarged road programs, extension in development of our hospitalization program, improvement in our educational program, in spite of the fact that our agricultural industry has been suffering severely as a result of Federal fiscal policy during this time.

This has reflected in direct benefits to the farm population. It would not have been possible, if Saskatchewan had remained a completely agrarian economy as it was in the 1930’s – it would not have been possible, for example, to launch out in rural electrification programs, and market grid road programs for the rural people. So rural people have a direct stake in

developing and broadening the economic base of Saskatchewan. These figures, as I have indicated, show conclusively that in Saskatchewan we have had success in developing this broader economic and industrial base.

The financial critic of the Opposition had something to say, yesterday about the financing of one of these industries in Saskatchewan. He spoke about the cement industry, and I want to say that the establishment of this industry in Saskatchewan has been of great benefit to the people of Saskatchewan. During the years immediately after the war, it was frequently necessary for contractors to import cement from Europe and other places at prices considerably higher than the prices normally prevailing in the markets of this province. The fact that we now have our own cement industry which has been able to supply the domestic demand for cement, has made it possible to avoid this additional expense. I would say this industry, having brought some 135 workers into the province's economy, and their dependants, their families and the secondary industries which depend upon servicing them, has added considerably to the economy of the province. It has done so, without the cost of one red cent of the taxpayers' money; not a "red nickel" (as my hon. friend says) of the taxpayers; money has been tied up in encouraging the development of this industry in this province. As a matter of fact, the people of Saskatchewan have reaped a dividend of between \$80,000 and \$100,000 a year in cash to this Government, as a result of the guarantee which this Government gave to the bonds which the company sold in order to establish themselves in Saskatchewan.

My hon. friend criticized and condemned and bewailed and bemoaned the fact that this Government is doing something to bring industry into Saskatchewan. When the Party of my friends opposite was in power in Manitoba, I seem to recall that they did some of these things, too. I recall that they backed debentures and helped to try to establish industry in Manitoba with much less successful results than we have achieved in Saskatchewan, I may say. I recall that one of the industries which the late lamented, late departed Liberal government of that province established in Manitoba was a race-track industry. I suggest that my hon. friends are really not concerned, or at least they don't appear to be concerned, about establishing really basic and important industries in this province. They are more concerned with frivolity and criticism of governments that really do something.

Mr. Speaker, I regret very much that it is necessary for me to comment upon some of the things which the Opposition financial critic said in his budget address. I comment on some of these things not because they are of such great importance to the people of Saskatchewan, but because they illustrate the kind of thinking which the people of Saskatchewan are plagued with from the Liberal Party. My hon. friend made quite an issue in this House, and when I think of the performance that he put on, I can't help thinking of a story that an old friend of mine, one of the senior lawyers of Saskatchewan, told me – a little piece of advice he gave me when I was first starting to practise. He said: "When you appear before a jury, and the facts of your case are weak, then pound hard on the law. If your law is a bit weak, pound

hard on the facts, and if the law and the facts are both weak, pound hard on the table.” That is the kind of performance we got from the financial critic, yesterday. He took some time to belabour me for something which I had said in connection with the Time question. I realize that is not a matter which ought to be raised in the budget debate, but I can’t help referring to what my hon. friend said merely to illustrate the kind of methods which he uses in his arguments in this House.

In his speech yesterday, he quoted a speech which I had made in the Legislature, last year. He said: “Mr. Speaker, there is teeth in the Act”. As a matter of fact, I said “there are teeth in the Act” – the grammatical error was his, not mine. If the . . .

Mr. Cameron (Maple Creek): – They must have been false; they could be taken out.

Hon. Mr. Walker: – Then he continued to quote from what I had said: “If the Liquor Board orders stores closed at 10 o’clock p.m. according to the time defined in the Act, and if the vendor remains open an hour later, it is no defence for him to say that he is on a different time”. Then he went on: “If a store wants to stay open until 7 o’clock when the rest of the community is on Central Time, by pretending that it is on Mountain Time, he would be violating (that is, the storekeeper would be violating) the law, and he would be prosecuted under the closing regulations and by-laws.” Then he went on to quote me as follows: “So it cannot be said that the Act has no teeth in it”.

Then he took a press release which I had issued in December, last year, to try to show that I had represented a completely different state of the law of this province, and he quoted as follows from my press release. He said: “Apparently some people believe that the province legislated to compel citizens to observe for all purposes Mountain Standard Time in the winter and Central Standard Time in the summer.” “This is definitely true.” He quoted that from my press release. Then, he went on to say, quoting from press release, “He stressed” (that is, the Attorney General stressed) “that it was hoped people might accept the principle of uniformity in their day-to-day activities, but there is no compulsion upon them to do so.”

He quoted quite correctly from both my speech in the Legislature and in my press release, but then he tried to present that these were two different interpretations of the law. The fact is that, had he quoted the next paragraph of my press release (and I asked him to do so and he refused), it would have been clear, I think, even to my hon. friend. I went on to say in that press release:

The Attorney General cited the example of a town grocer who may keep his clock on any time he wishes, and open and close his store on any time he wishes, provided he does not violate any opening and closing by-laws”.

Then I went on:

“If, for example, a municipality has a six o’clock by-law, then the grocer must close his doors at six p.m. Mountain Standard Time in the winter and six p.m. Central Standard Time in the summer. If, however, he stays on Central Time the year around, it merely means that he is closing at five p.m. according to the legal time, and he is not committing any offence.”

That is true. I suggest, Mr. Speaker, that when my hon. friend wants to disagree with something that has been said, at least he might have the honesty to quote the relevant portions of the two statements which I made, and not try to take one sentence out of the context from one statement and a different sentence out of context from another statement and show that there is a conflict. By reading both statements he will see that I dealt with exactly the same subjects in both statements, and I dealt with them in exactly the same way.

My hon. friend then went on with another piece of political legerdemain when he came to refer to the farmers who had sold their mineral rights, or who had transferred their mineral rights, as he said, “under a fraudulent misrepresentation”, and he tried to lay the blame for this situation upon this Government.

Opposition Members: – Hear! Hear!

Hon. Mr. Walker: – In fact, this is what he said: “I pointed out how the Premiers’ quick-buck artists were moving in to get control of our rich uranium claims, large blocks of Crown leases and petroleum and gas areas and how these same quick-buck artists were getting control of the farmers’ mineral rights.”

Mr. Speaker, I asked him for the date of these two press reports which he said he had in his hand, and he gave me the dates. I have checked the press reports carefully, and find that these press reports are dated ‘The Leader-Post’, Friday, March 2; ‘The Leader-Post’, Thursday, March 29, and then the two that he mentioned are ‘The Leader-Post’, April 7 and ‘The Leader-Post’, April 13, and there is no where in any of those four press reports where my hon. friend made any reference to farmers and their mineral rights; but it was very easy for him now . . .

Mr. Cameron: – On a point of privilege, I don’t mind him misquoting and twisting things, but he asked me to quote the report which I said about the debate that went on here in 1951, in regard to the uranium and oil leases, and those were the reports I quoted. Then I went on after that to come to the farmers’ mineral rights. Don’t be more ridiculous than you are now.

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Hon. Mr. Walker: – I'll just read what my hon. friend said, and this is taken from the records of the House: "And now they find they have lost their mineral rights, and they lost them, Mr. Speaker, because this Government refused to lift a finger to protect them. What is even worse, they assisted in this nefarious undertaking by exempting promoters from having to register under The Security Fraud Prevention Act." That, Mr. Speaker, is untrue, and I say to my hon. friends that there never was any exemption granted to these promoters. The fact is that these land men were never under The Security Fraud Prevention Act until they were brought under it by this Government in 1952. As a matter of fact there is not another province in Canada having securities legislation such as ours, which attempts to regulate the operations . . .

Mr. Loftson (Saltcoats): – You're crying.

Hon. Mr. Walker: – . . . of those people who buy land, or an interest in land, from farmers. This is the only province where such regulations are in effect.

Now, Mr. Speaker, it is all right for my hon. friend to pound the table and wave around press releases, but when you go and look up those press releases and find they don't contain the statements which my hon. friend says were in them, then all I can say is: my hon. friend might be able to deceive certain people in the Maple Creek constituency, but he can't deceive the members of this House who have access to the facts.

Mr. Cameron: – Mr. Speaker, again on a point of privilege, I don't want to constantly be interrupting. I just made a statement while I quoted the press report, what I said about them was in the report. I challenge you to quote those press reports, because it's in there.

Hon. Mr. Walker: – Nor is it in the records of the House, Mr. Speaker; nor is it in the records of the House.

Mr. McDonald: – It is in the records of the House.

Mr. Cameron: – It certainly is.

Hon. Mr. Walker: – The statement which my hon. friend says is in those press reports and in the records of the House, is in neither place, and if my hon. friend says it is, let him produce the records that show that it is. My hon. friend can get away with bluffing in other places, but he can't get away with bluffing me, Mr. Speaker, and he cannot bluff the members in this House.

Mr. McDonald: – He can't believe you, either!

Mr. Cameron: – Get back to your report!

Hon. Mr. Walker: – Mr. Speaker, my hon. friend made so much of an issue of the fact that he says that this Government is not doing anything to aid the rural areas or to aid agriculture in this province.

Mr. Loftson: – Stick to the subject.

Hon. Mr. Walker: – I am sure that subject is exhausted, Mr. Speaker, but if my hon. friend wants to revive the subject, let him produce those press clippings which I have read; let him produce the records of this House and show where he made any such statement that he attributed to himself, yesterday.

Govt. Members: – Hear! Hear!

Hon. Mr. Walker: – He can't do it.

My hon. friend tried to leave the impression that this Government neglects to maintain, or look after, the interests of rural people and farmers in Saskatchewan.

Mr. Danielson (Arm River): – Everybody knows that that is true.

Hon. Mr. Walker: – My hon. friend opposite says everybody knows that is true, and I expect my hon. friend is in exactly the same position as the financial critic – he probably hasn't looked up the estimates. My hon. friend yesterday betrayed the fact that he hadn't looked up the estimates, and my friend from Arm River is in no better position. The fact is, Mr. Speaker, I like to refer to facts, even though it does cause some displeasure to some of our hon. friends. However, if you go through the estimates that were tabled in this House, last Friday, you find, for example, that we are proposing to vote \$3,773,000 on ordinary account and \$1,550,000 on capital account for the Department of Agriculture.

My hon. friend says, "But you are not doing anything for agriculture". Well, \$4 1/2 million is just nine times as much as my hon. friends spent on agriculture when they had the opportunity. I am not one to try and compare what we are trying to do this year with what was done in 1944, because circumstances are different; but certainly it does not lie in the mouths of my hon. friends to claim credit for what they did in 1944; certainly they won't convince anyone.

Let us go on: Co-operation and Co-operative Development Department – which is primarily of service to people in rural areas in agriculture in this province, \$472,000; Correspondence schools maintained by the Department of Education to provide education to those people who are living in sparsely-settled areas who have no other means of obtaining it, costing the tax-payers of this province \$306,000 next year; the Municipal Affairs Department, which is concerned primarily with the problems of rural municipalities, has a vote for ordinary purposes of \$957,000 – almost \$1 million this year. In addition to that we have a Municipal Road Assistance program, which will cost \$6,166,000 in the year which we are about to enter.

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When the present Government was elected, there was no rural health services in this province; our cities and larger towns maintained a preventive health service plan. The fact is that now we have Health Regions in ten of the twelve areas in this province, and the Provincial Government is proposing to spend next year a little over a \$1¼ million in subsidizing and financing these health regions. This is not a benefit, in any shape, to our urban dwellers, because they had their own before the Health Regions were set up. This represents an additional cost to taxpayers of Saskatchewan in order to bring rural health to the rural people of Saskatchewan.

The Air Ambulance Service, almost a \$¼ million – \$206,000 – of particular advantage and benefit to rural people. The Municipal Medical Care Branch is beneficial to the rural municipalities in providing medical care, \$97,000.

The South Saskatchewan River Development Commission, for which this year we are voting \$25,000, primarily as benefits to the agricultural areas of this province. The rural electrification program this year will cost something in the neighbourhood of \$3¼ million, but if you take off \$¼ million, because it would probably cost \$¼ million to serve those customers if they were urban people – take that off and there is then \$3 million being spent by the Power Corporation just because the new people who are going to be served live in rural areas. If you add these items up, Mr. Speaker, you come to \$17,904,000, all of which is primarily aimed at benefiting the rural people and the agricultural industry of Saskatchewan.

Of course there are many other items which are of benefit also to rural people, but because urban people share in the benefits, I have not included them. I could, of course, include with equal justification the providing of services of the Royal Canadian Mounted Police. As hon. members of this House know, our cities and larger towns provide their own police force at the expense of their own ratepayers. This, however, is provided by the province of Saskatchewan on a joint basis with the Federal Government, and the R.C.M.P. serve those areas which are not served by municipal police forces, but I did not include that. There are many other things I could have included which are primarily for rural people, but which I have left out.

There is \$18 million which will be spent next year, on, primarily, service to rural people. If it were discontinued or taken out of the budget, the urban people would not suffer directly from the loss. So it does not behoove my hon. friend to try to perpetuate this ridiculous tired old myth that this Government is not providing a program for rural people.

We are told that local governments are not getting a square deal from this Government. Well, I went over these estimates – as I wished my hon. friends opposite had done so they would know something about them. I went over them, and I find that in school grants for this year, we propose to give to local governments \$24 million to help them finance the cost of education, compared with \$3,167,000 spent altogether by the Department of Education in 1944-45: almost eight times as much.

Municipal Auditing and Inspection this year will cost \$115,000 compared with 1944 at \$9,000. The Municipal Assessment Commission, the Municipal Advisory Commission, the Administration of Local Improvement Districts, grants to local improvement districts, and so on – almost non-existent in 1944; this year, substantial sums are provided. I won't tire the House by reading them.

The Municipal Road Assistance Authority for grid roads – \$4 1/3 million this year; and nothing in 1944. Grid bridges – \$150,000 this year and nothing in 1944; other municipal bridges – \$500,000 this year, and only \$124,000 in 1944, and the latter have included the highway bridges that were built that year. Grid roads in L.I.D.'s – \$160,000 and nothing in 1944. Equalization grants – \$657,000 this year and \$183,000 in 1944. Municipal ferries – \$344,000, and \$109,000 fourteen years ago. Grants for T.B. patients – \$375,000 compared with \$287,000 twelve years ago.

These were all moneys that, if this Government did not provide them, they would have to be provided by the municipalities out of their own resources. The Hospital Services Plan – I could include that as an aid to local governments. Everybody knows, who has had any experience, or any knowledge of the history of local governments, that in former years municipalities had to pay hospital bills for many patients who went to hospital, and it was a severe burden on municipal finance.

In addition to that, of course, union hospital districts had deficits which had to be paid out of local taxation. But I am not going to count that, because the principal beneficiaries of this program are the citizens of the entire Province, rather than just local governments and some of them probably would not qualify for social aid. So I am not going to count that, but it could be counted. Grants for housing for the aged – \$115,000, and nothing in 1944; the taxes paid by the Saskatchewan Power Corporation to the municipalities – \$735,800, but nothing in 1944; the taxes paid by the Saskatchewan Government Telephone – \$190,354, and nothing in 1944. These are all moneys which, if they were not paid to local governments by the agencies of this Government, would represent an increased burden of taxation on the local people. Taxes paid by other Crown Corporations – \$82,600; and if my hon. friends have been working their pencils, they will find that this represents \$38,185,000 paid out of this Budget to relieve the burden of taxation on local municipalities, compared with \$4,784,000 fourteen years ago. That is \$38 million today, compared with \$4¾ million fourteen years ago!

By any stretch of calculation this is a manifold increase in assistance. As a matter of fact, Mr. Speaker, if you want to see how this has benefited local governments, let us look at the total budget of local governments – municipalities. We find that, in 1944, the entire budget of all our municipalities in the province, including the costs of education, union hospital districts and all the rest of it, amounted to \$27½ million, so that the Liberal contribution to local government was a part of that \$27½ million.

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Mr. Danielson: – What are they now?

Hon. Mr. Walker: – This year –

Mr. Danielson: – Be honest now, and tell us what they are now.

Hon. Mr. Walker: – If my hon. friend had just been listening; I will repeat the figures for the benefit of the House. In 1944, the total contribution to local government was \$4,784,000; this year, it is \$38,185,000.

Mr. Danielson: – Tell us what the municipalities paid in 1944.

Hon. Mr. Walker: – In 1944 the total budget of the municipalities of this province was \$27 million.

Mr. Danielson: – What is it now?

Hon. Mr. Walker: – Today it is \$90 million. The municipalities are now budgeting for bigger programs, as is this Government; but of that \$90 million, \$38 million comes from this Government – 42 per cent of the total municipal expenditures in this province comes from the sources which I have just enumerated.

Govt. Members: – Hear! Hear!

Hon. Mr. Walker: – Forty-two per cent compared with 17 per cent in 1944! If you take all the costs of local government and all the contributions made by this Government, we are now contributing 42 cents out of every dollar that they spend for municipal, school and local hospital purposes. This represents almost two and a half times as large a percentage as was provided by the last Liberal government.

Mr. Speaker, I want to say something about the general financial policy of this Government. You know, there is a theory among most politicians that, if you want to get elected at the next election, you should spend and spend and spend, and let the future generation pay for it.

Mr. Danielson: – That's exactly what you are doing.

Hon. Mr. Walker: – My hon. friend says that's exactly what we're doing. Mr. Speaker, in the course of the 39 years before this Government elected to office, I find that they spent \$24,200,000 in public buildings, and not one cent of that was paid for out of current revenue by those Governments; not one cent of it. It was all financed through the sale of bonds and debentures to be paid for by future generations. They built \$87,250,000 worth of highways and when I say 'built', this \$87 million includes the cost of maintenance; this includes the cost of maintenance and repairing the bridges. This \$87¼ million represents every cent that the former governments of this province had spent on the highway up until 1944, and not one nickel of that was paid for. It was all still owing when we were elected in 1944.

Mr. Speaker, this may be the theory of Liberal and Conservative politicians to spend and spend and spend, and make somebody else pay for it. As a matter of fact, the policies of this Government in 1944 resulted in a drastic change. Since 1945 we have paid off \$116 million of a debt left as a legacy by the Liberal and Tory governments in this province. In addition, this is all the money that this C.C.F. Government could have used to win friends and influence people. So, if we had been a Tory or a Liberal Government, that is what we would have done: spend and spend and spend, without any thought of tomorrow. As a matter of fact, this Government also spent \$75½ million on highways in cash out of ordinary revenues – money which a Liberal or a Tory Government would have paid for by saddling it upon the shoulders of future generations. In addition, we spent \$11,132,000 on permanent work in agriculture – capital money, but paid for out of day-to-day revenues. In addition to that, we spent, since 1944, \$44¼ million on public building for which we could have sold debentures to cover and let the future generations pay for it; but we paid for it out of the day-to-day revenues of this Government. As a matter of fact, if you add together the debt reduction and these capital expenditures, we are \$246 million better off today than we were in 1944.

My hon. friend laughs, and I suppose that what he is trying to imply by that is that, nowadays, other governments try to do the same thing. The fact of the matter is, however, that if we look at the financial statistics of provincial governments put out by the Bureau of Statistics for the year ending March 31, 1959, we find this situation: that other governments are not paying today for capital expenditures out of current revenues, as we are in this province. Other governments are treating roads and public building as a capital expense which does not appear in their budgetary accounts. As a matter of fact, the Bureau of Statistics have consolidated the budget statistics of all the provinces, and put them all on a comparable basis in order to produce this table of expenditures and revenue. I find, in looking over the record of other governments, that if they all were to do their accounting on the same basis that we do in Saskatchewan, Nova Scotia, for example, would have a deficit this year of \$86¾ million. If they paid for their roads and their public building out of current revenue, that is the deficit they would have. Incidentally, they have a Progressive Conservative Government in Nova Scotia. New Brunswick, if they set up their accounts as we do in Saskatchewan, would have a deficit of \$68¾ million. Ontario would have a deficit of \$781 million; Manitoba, which is now also a Progressive Conservative Government, \$98 million; and Saskatchewan, of course, having a surplus estimated at \$136,000 at that time.

I say that this Government has not shown a short-sighted interest in the future or in the next election. This Government has tried to run its affairs as though it would always be the Government of Saskatchewan, and I think that the people of Saskatchewan will welcome this new approach to provincial finance. I think the people of Saskatchewan want to have their affairs run on the most sound long-term basis – not on the basis of spending heavily and putting off the burden to be paid by future governments, but on the same basis as people run their own private affairs – a sound, long-term basis.

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I suppose the people of Saskatchewan appreciate the fact, and I hope they appreciate the fact that, by this sound kind of financial management, we have relieved them and their dependents of a tremendous burden of taxation in the future.

My hon. friends will, of course, tell you that we now have a gross deficit in this province of something like \$300 million; and that I do not deny. The fact of the matter is, however, that all of it except \$24½ million is being paid off and serviced by earnings from the Crown Corporations for whom it was borrowed, and does not constitute any direct burden on the taxpayers of Saskatchewan. This is not a thing to worry about. I am certain that, if this Government decided (as my hon. friends would like us to do) to put on the auction block the assets of these Crown Corporations, we could sell the Saskatchewan Power Corporation for \$100 million more than is invested in it. The Telephone Corporation we could no doubt sell for \$30 million or \$40 million more than is invested in it. My hon. friends keep saying they would like to “throw the Crown Corporations out the window”. I am sure that is just exactly what they would like to do – turn these things over to private enterprise.

We have a situation, as a matter of fact, in some provinces in Canada where that very thing is being done today – in the province of Ontario, for example, assets paid for by the taxpayers of that province being sold out to a private company, Northern Pipelines Limited. As a matter of fact, this not only deprives the citizens of that province of a worthwhile public asset, but it also helps to enrich their friends who have the shares in these private companies to whom they are turned over. We say that these things are worthwhile assets to the people of Saskatchewan. We propose to keep them, we propose to extend them, and we propose to improve them as the years go on.

Mr. Speaker, from what I have said (and I have talked longer than I intended), I think it is fairly clear that I am going to support the budget.

Mr. John Thiessen (Shellbrook): – Mr. Speaker, I welcome this opportunity of following out hon. Attorney General in this debate, although I do not presume to be as oratorical as he is.

However, after looking at Pages 26 and 27 of the Budget which has been brought down by our hon. Provincial Treasurer, I can appreciate the work that has gone into preparing a budget of this kind. I have, for a number of years, spent time trying to prepare municipal budgets where we handle about \$¼ million, and then when he talks about \$130 million or \$140 million, it takes a lot of time and it takes a lot of work; and to cut them up the way the Minister of Finance has cut them up here means really good work, because the revenues balance the expenditures and sometimes that is pretty hard work.

I find a lot of items in this budget with which I am satisfied. I find a lot of things, possibly, that I would like to have added to it, if I had drawn up the budget.

First of all, I notice on the top 'Public Health' which is taking about 20 per cent of the budget, running somewhat over \$26 million. That \$26 million is an awful lot of money for this province, and it covers more than has ever been covered in this province before. I feel, though, that we should move further afield in the medical coverage field, providing some coverage for all the people of the province. It has taken us 10 to 12 years to convince the Federal Government to come into the hospitalization field, and I feel that we are going to have to break the ice in medical coverage as well. It may sound, at the moment, that that would be hard for our people to do; but I feel that a lot of this money is now being paid by individuals, whereas if we clubbed this together and did it on a social basis we could have this coverage.

There is one little recommendation here. We have medical coverage by municipalities which is, in some instances, fairly hard. We have a municipality of about 24 townships and our medical aid, between hospitalization, medical, neglected children and indigents, runs somewhat in the neighbourhood of \$10,000. Our assessment there is about \$3¼ million and we find it a very heavy burden to look after an amount of people that it takes this amount of money to cover. We are in a fringe area up there; we have a lot of Métis people; we are connected with three Indian Reserves, which means that we have a lot of people who are not making their own living. We feel that there should be some sort of study made on a cost-sharing basis with other municipalities in covering these people, or with the Government.

Social aid has taken a big part of the budget. I know that many people in this province would not be able to get along at all had it not been for many of the social aid Acts which have been passed and for the new Act which is going to come into force after this Session of the Legislature. I feel the new Act is going to do a lot of things that we have tried to do for a number of years, and it will make it easier for the municipalities. However, all this medical and social aid makes quite a bit of work for municipal councils and you will find in an area such as we have up there where the municipalities are larger, that a municipal council can hardly get along on 12 meetings a year to cover all the various business that they do under medical, hospitalization, municipal roads authority under the grid road, etc. I feel the Department of Municipal Affairs should really look into the idea of extending more meeting to these municipal councils, say two meeting a month. One meeting simply take care of delegations, social aid, roads and other problems which we have, so we do not get too much work done, and I feel that they should extend it to about 24 days in a year. On top of that, our Municipal Act is set up something similar to The City Act, where the committee does not get paid for committee work. In the cities this may work all right because you can go to this committee meeting in the evening when you are not doing your business; but I find that our committee which we have set up down there really works good, but they cannot hold their meetings in the evenings because these fellows have chores to do. They have to come 20 miles so we must hold our meetings in the day time.

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Our committee feels that unless provisions are made, they cannot attend these committee meetings, and I would recommend to the Department of Municipal Affairs that they consider providing in the legislation for the additional days for municipal councils in the larger municipalities, and also for the payment of committee work which is done.

The Municipal Road Assistance – I notice in our budget, this year, they are allowed somewhat over \$6 million. For years when I sat on councils and when I was municipal secretary we have often talked about the things that we would like to have had from our Provincial Government, such as part of the licence fees, part of the gasoline tax which is paid to the Government; and I am happy to see in this budget that the complete motor vehicle revenue is very nearly \$7 million – \$6,900,000 – and that the grant to the Municipal Road Authority is quite a bit over \$6 million. So we are very nearly achieving that aim which we had for quite a number of years. The Government has met the grant which we wanted for a long time.

With regard to education, there again I am happy that the Government has seen fit to grant a further \$4 million, bringing this total to \$31 million. Looking back over the field of education, I was a school board member, years ago, when we fought for a 75-cent-a-day grant; we fought for \$1.00-a-day grant. I remember coming to Regina here one time representing three schools, and those schools at that time were running awfully close to 30 mills. They were paying their teachers \$750, and they weren't able to keep going, and they were getting 75 cents a day from the Provincial Government.

Yesterday the hon. member for Maple Creek (Mr. Cameron) spent quite some time in comparing mill rates – from 8 mills to 30 mills – and he mentioned municipalities, and I imagine that he was talking more about Units than he was about Municipalities. I can take him to a district (my hon. friend from Rosthern will know these districts) where he has from no mill rate up to as high as 54 mills. I believe the high mill rate in that area runs to 54 mills; and they have areas where there is no mill rate, because they do not operate a school, and they are not in a Unit. These people, if they had gone into a Unit, could have had their high mill rates slashed, And some of the lower ones would have been raised; but they have not taken advantage of any of the things which this Government has set before them, from which they could have had advantages. I also notice there are two or three teachers sitting across the House from us here who are teaching not in districts, but in Units.

The he spoke about people who had died in 1929, didn't know of jet propulsion, didn't know about TV, micro-wave, who didn't realize that we are living in an atomic age. Well, Mr. Speaker, when listening to some of the speeches from across the House, I feel that we have people across the House who do not know we are living in an atomic age at the present time. Ever since we had a Liberal government in this province, if those people had died in 1944 they would have never dreamed that we would have equalization of education in this province. They would have never dreamed that we would have prepaid hospitalization. It took the Federal Government 12 years to learn that we could have it. It would have taken these people a lot longer. They would have never heard of the University Hospital, second only to the best ones in the whole world. They would never have heard of the medical coverage

for Mothers' allowance cases or pensioners. Those were things that they only dreamed of. We had an old-age pensioner when I was first a councillor and he got \$20 a month, and if the municipality gave him any more it was taken off his next month's cheque by the Government. They would never have dreamed of having been able to purchase electricity from the Government of Saskatchewan. Those people never thought that there was any gas and oil under this ground that we have in the province either. They never heard of conservation of forests either; they were just letting them go. They figured once they were cut they would never grow any more, but today we have conservation.

Another thing that those people never heard of was co-op. pastures. In my community we have six or seven community, or co-op. pastures which are operated by the people themselves, where the Government has spent half of the cost in preparing those pastures. They would never have heard of Air Ambulance service, or the grid road system. The grid road system is something which is going to link not only our communities, but it is going to link our schools, so we can have good central high schools, composite schools, and give them equal opportunities for education. Union hospitals, health regions, etc., were pretty well covered by the Attorney General and so I won't say any more about that.

I would like to touch a little bit on freight rates for a moment. I don't know whether this comes under the Budget, but I would like to just touch upon it. We talk about equalization of freight rates between Regina and Saskatoon, and if it is possible to equalize freight rates between Regina and Saskatoon, why cannot we take in the northern part of the province as well as the south? Years ago, when I first farmed, we paid 28 cents to ship a can of cream from Aberdeen to Saskatoon. We found, a little further east, that we paid from 32 to 34 cents a can; and further out yet, they paid from 38 to 40 cents. Eventually they made an arrangement whereby the creamery paid the freight costs, we all got the same price for our cream and it was equalized. I feel that we should probably approach freight studies on the equalization of all freight costs in the province of Saskatchewan, not only equalizing Regina and Saskatoon and possibly Prince Albert. There is no reason in the world why our economists (a lot of these people do a lot of good figuring) cannot set up a scheme whereby we can move a ton of coal anywhere in the province for so much money, so that if I went to buy a ton of coal in Regina or bought it in Canwood or Big River, I would pay the same price, and freight would not come into consideration. I think that should possibly be studied a little.

I would like to touch upon Telephones for just a minute. In this part of the world you don't realize what it is to be without telephones. I have all the northern part of my constituency that doesn't come anywhere near a telephone and they have no way out; they can't go to a radio. If they wanted to get the ambulance plan for anybody out there they can't even get to a telephone to call for it. I feel that we should probably try to establish rural pay phones; if not to all the people, then at specific spots in this territory, such as Deer Ridge, Cookson, Valbrand, Blue Heron, Stump Lake and Park Valley. There are power lines in all this part of the country; they

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criss-cross through all these places, and I feel that probably we should study ways and means of getting telephones into this part of the country in conjunction with our power lines.

Also, I would like the Department of Municipal Affairs to study ways and means of looking after snow removal in the L.I.D. districts. We have a problem there, where the roads are not too good and the people have no way out. Horses, of course, are of days gone by, and they tell me that the machinery is there, but they have no way of moving it at all.

I am somewhat happy over the bridge in Prince Albert, and a little unhappy about losing the bridge at Petrofka. I hope that the Minister of Highways will not forget about the bridge at Petrofka, whenever he can get closes to it.

Mr. Speaker, I promised the next speaker that I would allow him some time. I have some more arguments here, but with the few things that I have said you will know that I am going to support the Budget.

Mr. W.J. Berezowsky (Cumberland): – Mr. Speaker, the Budget Speech has indicated, once again, that this Government is progressive in its policies and its thinking. At this time I wish to congratulate the Provincial Treasurer in having brought in another excellent and balanced budget. I say that because the budget points to further goals and the challenges facing this Government, which must be attained.

When one considers the purpose of government I always think that it may be described as an instrument of human welfare; and when we consider this budget, we see that it is an instrument of human welfare. It points to the things that are going to be done in this province that should be done to make life happier and better for the people of this province.

I was interested, yesterday, to listen to the hon. member for Maple Creek when he criticized the budget, and I came to the conclusion, when he talked about courage, that the Opposition, apparently, has a lot of courage. They defend free enterprise; they have a lot of courage to behave like bad school children in the playground, and they have a lot of courage to sneer at a good budget.

Firstly, I must reply to a reference that was made to a speech that I made in the budget debate, two years ago, where I indicated some exploitation that was going on in Saskatchewan, and particularly in my constituency. At that time I pointed out that I had made an investigation whereby I discovered the facts stated and which I believe were true. For example, mink fur peltries were being sold in part of 1956 for \$19.50 average, and I found out that the Saskatchewan Fur Marketing Service had paid an average price of \$26. Then I mentioned three companies – A, B and C – at that time. I did not want to embarrass any companies; I have some ethics; the facts are there. I mention this because some of the people preferred to ship their furs to private companies who are in the business of buying furs, and the

average price that they received in the same period of time was \$17 for mink from one company, \$11 for mink from the second, and \$8.58 for mink. I didn't get up and give the names of the companies, but if I am asked to do that, I will. What I am interested in, Mr. Speaker, is to point out to the people of this province what is in their best interests. What I have said, I have said honestly and truthfully.

Before I go on with the other things I want to say, I would like to make some reference to the economic situation in my constituency of Cumberland. I do want to say that, insofar as conditions in agriculture are concerned, they are worse than they have ever been. I think I mentioned in this House, in 1953, the difficulties under which the rural population were suffering. I pointed it out at that time. I didn't call it a "cost-price squeeze" – that is a phrase that was coined later on; but I did point out at that time that the farmers were having a hard time, that they were being forced off their land and they were going bankrupt. I recall quite well that when I brought that point to the attention of this House, one of the hon. members opposite – I think it was the hon. member from Cannington (Mr. McCarthy) said: "Why, the member from Cumberland doesn't know what he is talking about; the farmers are getting off than they have ever been in the history of Canada. They are driving around in Cadillac cars." I am sure that all members will remember that statement. But it is strange, Mr. Speaker, that, today the hon. members opposite, every one of them, recognizes the cost-price squeeze, and they are ready to go along with the rest of the people in Saskatchewan and the members on this side with the 'March to Ottawa'. It is strange, but it has happened – just overnight, after a Federal election!

Another strange thing is this. As I have said before, it is our purpose to meet in this House to consider human welfare and do the things that the constitution of this country requires that we should do. I think that is our job. We come into this House once a year to try to legislate good laws; to try to do whatever we can to alleviate the suffering and distress that may exist among the people of our province. We try to make for a better life and a better standard of living. But I remember, also, that two years ago, when I mentioned the fact that we were fortunate in obtaining \$1.30 for sturgeon at Cumberland House for the fishermen, the hon. member from Saltcoats stated that the price was only one-half of what they should have got. In other words, you can see by statements of that kind which we get from the Opposition from time to time, just whose friends they are. And yet, Mr. Speaker, this year they have come out and they tried to make out that they are the friends of the farmers and that they are the friends of the working people and the friends of the trappers and fishermen. Well, I say, let the records of this House speak as to whose side the hon. members opposite are on! In addition I have a few things to say, today, which will make it even more clear as to whose side the Liberal Party is on.

So, at this time I think it is quite proper to go back into some of the records that we have on file in this Government. I find, for example, that back in 1938 the Liberal government of the day took away, or alienated, some 15 townships of land that had been used for trapping by my people at

Cumberland House. This same Liberal government, in 1938, signed an agreement with the Hudson's Bay Company, giving it a lease for 10 years, under the terms of which they were to do certain work in drainage and fur conservation. Now I am not criticizing the Liberal government for doing just that. I am criticizing them for handing over a job that should have been the responsibility of the government to a private company. That is one thing I am criticizing them for. But then something strange happened! Instead of waiting for 10 years for this work of conservation to be done, for the Company to improve the drainage and other things to conserve the area and building it up for good utilization, we find that, in 1943, the Saskatchewan Liberal Government got jittery, and for some reason, instead of waiting until 1948 to renew the agreement, they renewed the agreement in 1943 for an additional term of 21 years. Mr. Speaker, the people of Cumberland House were sold out by the Liberal Party for an additional 21 years in the year 1943, and I say it is a disgrace and a shame for a government to have done this.

It is even worse when we go through the agreement and find out the terms of it. This Company received an empire, and in the same period another party received a little empire, too, under a lease which expired only a couple of years ago – a Mr. Lamb from The Pas. This individual and the Hudson's Bay Company received these two empires – and what did they do to the people of Cumberland House? They made lackeys and slaves out of them. This same company, today, when the trapping season comes along, needs trappers. The Company cannot trap, and they hire trappers. The trappers go out to do the trapping and they are paid a set sum. Notwithstanding the fact that the trapper has his own traps and spends all his time on the trap line, he receives a set sum. Two or three years ago when I investigated because I was interested in justice, I discovered that at that time the trappers were getting somewhere around 40 cents for trapping muskrat, and yet the company was selling those same muskrats for \$1.25 average. I estimated, at that time, that the company made somewhere around \$80,000 to \$85,000. True, under the terms of this agreement which the Liberals gave to the Hudson's Bay Company, the company gives us \$1,000 a year in royalties, but that is cheap rental for a \$85,000 income or even if it were only \$50,000 a year.

It is 20 years now since 1938, and Tom Lamb, who admitted to me that he was making about \$25,000 a year, and he only had a small parcel – he was anxious to get a renewal, but thanks to the Minister of Natural Resources and thanks to this Government, his agreement was not renewed and they gave back the land to the people of Cumberland House; he admitted to me that he was losing \$25,000 a year, and with what the Hudson's Bay Company was making, which was another \$75,000 a year, roughly, it makes \$100,000 a year in total. Mr. Speaker, if you multiply that by 20 years, what have you? – \$2 million that was stolen from the people of Cumberland House area.

Then my friends opposite dare to stand up in this House and accuse this Government for not being friends of the people and say the Liberals are the friends of the people, that they have the courage to stand up for the people of Saskatchewan – and yet this is their record, Mr. Speaker.

I know that there is reaction in the Liberal Party. I have known it all along. At one time I was proud to have been a member of the Liberal Party –

yes, when the Sire of the hon. member for Melville (Mr. Gardiner) was one of the Ministers in the Government. I was a Liberal and I am not ashamed to admit it, because I believed that liberalism was a good philosophy until I found out how rotten the Party was and how reactionary they were.

Mr. Cameron: – When are you going to quit the C.C.F.?

Mr. Berezowsky: – I can prove it, too, by facts. I have a clipping from yesterday's 'Star-Phoenix' which says this: – This is what their own man, Mr. W.C. Manning, President of the Saskatoon Liberal Association, says:

“I maintain that we have not been effective in provincial politics because in our efforts to discredit the C.C.F. we ought to take up a reactionary right-wing position, for to those who are not rabid anti-socialists we appear as enemies of progress.”

He admits that they are reactionary; they are not the kind of government that the people of Saskatchewan would benefit from. The only time they don't want to admit they are reactionary is when they are in this House. That was their own man, as reported in the 'Star-Phoenix'.

Mr. Danielson: – Wasn't that taken from the 'Commonwealth'?

Mr. Berezowsky: – Mr. Speaker, we recognize that rapid changes such as we deem as progress are not easy to bring into being; there is always some resistance and there are those who do not desire any change. We all know the Liberals of this country do not desire any change. They are happy with the status quo – leave things as they are. Let the rich get richer; let the poor get poorer! That is fine with them. They cannot adjust themselves to new skills and ideas and programs, and that is why they always stand up and speak as they do. But when they do stand up and criticize the excellent programs that are initiated by this Government, and governments such as this, then that makes us doubly sure that we must be on the right track.

We have done much good in this province. I think one of the greatest things we have done is the rehabilitation of a great number of people, and I could talk for the next hour about the various ways in which we have rehabilitated the people of this province. When I mentioned, some time ago, that we were able to sell sturgeon for \$1.30 per pound, that is one way that we are able to get extra revenue for the people of certain areas, providing them with a better standard of living. When we bring to the people of this province good social welfare policies, good public health policies and programs, when we see the conservation program in the Department of Natural Resources, and when we see the highways that have been built in the province, then we can be proud of what has been done. We are making the kind of progress that we should be making. I would say that these approaches towards social welfare, health and conservation programs are paying back dividends today in our healthy and better-educated citizens, capable of facing all the complexities of life and, of course, the opposition of the Liberal Party.

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Another thing is that, in the past 20 years or so, Saskatchewan has become unique in the fact that increasingly more value is being put on co-operation. I would say also that in places where we had no highways before, we now have highways; where we had no power, we now have power. Yes, in areas such as Cumberland House and Pelican Narrows and many other far northern communities where we had no industrial activity, we now have industrial activity. Where we had people dying under fences, as has been the cases in my own community, today they are able to go to a hospital and be taken care of. That, I submit, is progress.

So it gives me great pleasure, Mr. Speaker, to be associated with a Government that has been responsible for this great progress in our province; a Government that has brought in all this legislation for social welfare, health, education, roads and so on.

As a northern member I am more in direct contact with the people of the north, and I would say that there is much yet to be done. I am not too happy in going over the budget, to see that there has been a reduction in the amount for northern roads, but I must reconcile myself to the fact that, in order that we may have a balanced budget, we have no other recourse. I only hope and suggest to the Government at this time that, if things get better in the coming years (as they may and we hope they will), the Government will try and put into the budget for the next year a larger sum for main roads in the north.

At the moment, I think that I should commend the Government for using every effort to try and complete the road to Flin Flon. Some of the roads into the north are what we call development and access roads, but this particular road is not just a development or an access road; it is a road that is going to join two large communities, and in addition to that it will join the people of the north to the rest of the province of Saskatchewan. After all, Mr. Speaker, there are about 13,000 or 14,000 people in Creighton and Flin Flon. There are another 20,000-odd people in the city of Prince Albert, and there are nearly 900,000 people in Saskatchewan. The people in Flin Flon and Creighton are basically people from the province of Saskatchewan, and may well be using that road. Not only (as I have said on previous occasions) have we resources that will be opened up, but I hope the prices of minerals will go up so that mining can become active; and we have other resources that ought to be developed. The road will provide access into these resources and, if nothing else, it will make it possible for thousands of tourists to go up there from this province and from outside this province into an area where we have some of the finest lakes and scenery in the province of Saskatchewan.

Now I would like to refer back to what was mentioned, yesterday, by the Opposition critic when he pointed out that the revenues from minerals were not as high as he would like to have seen them. Well, I can only reply to him by saying that if these revenues in the mines have gone down, if the royalties of this province are down, then you have no one else to blame but the capitalistic policies of this country, governments that would allow a condition

like that to develop. I would like to point out that, before the Tory Government got elected in Canada (and I give credit to the Liberals that they held the line a little); but after the Tories got elected what happened? The price of copper went down from 50 cents to 25 cents; the price of zinc went down to 9 or 10 cents; the profits of companies like the Hudson Bay Mining & Smelting, which used to be a clear \$20 or \$22 million profit a year, went down to less than half of that. As a result, our royalties went down and if, today, we are not able to expand, give more services or give more to the people of Saskatchewan with the money we take in, we have no one to blame but the fiscal policies of the government in Ottawa. Just because I said something nice about the Liberal government – it actually wasn't anything meant to be nice, because they were responsible for bringing about this recession and the resulting drop in prices. They started it, and the Conservatives finished it.

Mr. McCarthy (Cannington): – The worst is yet to come.

Mr. Berezowsky: – A few minutes ago, Mr. Speaker, I mentioned that there are many things that can be done in the north. I like to think of Saskatchewan as consisting of two kinds of resources – the people, which can be referred to as human resources, and all the other things which people use and which come from natural resources. In the north we have not just agriculture; we have other resources of forest, of lakes and of mines. I recognize that it would be difficult for the Government of the province of Saskatchewan to get into the mining business, although we have, I think all kinds of potential and all kinds of possibilities; but due to the nature of the industry, I am not suggesting to the Government that they go into the mining business; but I might point out that some of this ore runs as high as \$100 to \$1,000 a ton. But we will leave that the mining interests to develop.

I do want to suggest to the Government of the province of Saskatchewan, to my colleagues on this side of the House, that there are a number of things that we could do that could be charged to capital expansion and would have nothing to do with a current budget. I am thinking of, for instance, processing timber. We talk a lot about pulp in this province. We have hoped, as every member of the House knows, that we would have a mill in Prince Albert or Meadow Lake or at some point in the north; but any information that we have been able to obtain with regard to pulp mills in the future is not too rosy, Mr. Speaker. I understand that one or two have been considered to date, but I do not think the future is too optimistic.

Yet there are things that can be done. I think we are living in an age of technology. We don't have to think of the utilization of timber by sawing it up into lumber or making pulp or paper out of it. There is no reason at all why we wouldn't have a number of factories across the north that would make, say, chip board (I mentioned this on a former occasion). We could have more plywood, for the building trade requires that kind of material and there is good money in it. I would suggest to the Government that every possible effort should be made to try to get someone interested, and if not, then I think it would be to the advantage of the people of Saskatchewan if this Government obtained the money the same way as they obtain money for other purposes, such as the Saskatchewan Dam, and reconvert say, the old Box Factory

in Prince Albert into a chip board mill.

The people of Saskatchewan are not worried about having a loss, Mr. Speaker. Many people in this province whom, we know, expect this Government of Saskatchewan, or whoever may be sitting on this side of the House, to have vision to do things, not to say, "We cannot take that change; only free enterprise can do that." There are countries in the world, today, that are getting things done – and I could name many countries, good progressive democratic countries, getting things done. There is no reason why, in this province, we can't do what can be done within our limits. So I suggest that we could put up a chip board factory, maybe a plywood factory, a paper board factory, or some other such industry that would utilize every part of the tree, because, Mr. Speaker, I am going to say, very frankly, the I am one of those people who is not going to be happy to see our timber being used by woodpeckers to pick worms, and that is what is going to happen. This province hasn't got the kind of timber that they have in British Columbia. Much of the timber in Saskatchewan is small and is only good for the kind of purposes which I have mentioned, and should be so utilized.

Mr. Danielson: – You were supposed to have pulp mill there by now.

Mr. Berezowsky: – Well, if you have the courage to get out there and try to interest our own people to get behind this Government and build our own pulp mill, we would have one; but you haven't got the courage.

As I have said before, this Government does not need to apologize for what it has done; it does not need to apologize where it has had failures because the record of this Government is good. Over-all, the records of the Crown Corporations of this province show that they have brought back a tidy sum into the treasury of this province. Not only that, we have provided jobs for people who needed jobs – many of them. I wish at this time to compliment the Minister of Natural Resources (Hon. Mr. Kuziak) and the Government that, in this period of strain and distress, in spite of the cost-price squeeze in my area, there are at least 300 people that I know of, who are working in the forest industry, eking out a living; and that is to the credit of this Government. Had there been a Liberal government there would have been no such industry today, and the people would have been on the relief payrolls.

I mentioned some time ago about other things that I think we should do, and it seems to me that, although the grants towards education have been increased, one phase of education has been overlooked. In the north, where the areas are inaccessible and in places where we have no high schools, we do have a number of students who, I think would like to go on to higher education. I think that some thought should be given towards giving scholarships not only to those who are going to go on to University, but also to those from remote regions where there are no high schools, so that they can get a high school education.

I am concerned about the people; they are the most important element in our economy, and if you consider the districts of Cumberland and other northern areas, you will find that the number of people living there – I would say the area is saturated with people. There are possibly too many people for what the area will produce. In Cumberland House, for example, there

are probably 700 or 800 people. It is all right for those who are there and mature to continue making the kind of living they have been accustomed to – trapping and hunting and lumbering and efforts of that kind; but I am concerned about what is going to happen to the children there. There must be 150 to 200 children in that community for whom there is no future occupation and no future; and that is why I am suggesting to the Government that something more has to be done in that area than is being done in other parts of the province of Saskatchewan. It is our responsibility to see that young people will be prepared to make a living wherever they may go, and anything that we can do to help them get a better education, preparing them for a teaching profession, a nursing profession, administrative or accounting, etc., I think should be done.

Now when we read articles saying that the people of Cumberland are difficult, we should not blame the people of Cumberland. If we go back to what I said and find out how many were betrayed, can you expect them to be anything else but difficult? Do you expect them to trust a government? We must show them the way, and we must help them in order that they may face a better future. One way to help them is to give them better educational opportunities.

I wish to commend the Minister of Agriculture (Hon. Mr. Nollet) on the programs that he has brought into the north; and I am speaking for the people who are living in the sub-marginal areas. Without the forage crop areas that have been provided there, without the co-op groups organized, I think many more people would have left the land; and my people up there love the land for it is good land. What the Department of Agriculture has done to assist these people has been very worthwhile.

I also wish to commend the Minister for the channel clearing program that has been carried out. This channel clearing of the Spruce and Garden Rivers and at Paddockwood, has brought back a lot of land into grass, and it is going to mean a good deal to the farmers of that area. I only wish to say that this is only the beginning and there is much more to do. I hope that the budget, this year, will provide for the projects and that, in the future, much more will be provided for those purposes.

I also wish to congratulate the Minister of Education (Hon. Mr. Lloyd) for the excellent program outlined. Many of my people up north know that 75 cents of every dollar of educational costs come from the treasury of this province on a basis of equalization. The reason for this is the sub-marginal area in which they live, and the low assessments on land. They could not pay any more. The program has meant a good deal. I have heard on good authority that in my own community we have a greater incidence of students attending university than any part of Saskatchewan, and I say that this is remarkable, because our people are poor people and I say that, without the help of the Government, it would not have been possible to find young people graduating as engineers, pharmacists, medical men, school teachers, etc. So I want to pass on our appreciation to the Minister and his staff for the good work they have been doing.

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I understand from the speech made by the Provincial Treasurer that some thought will be given to community development in the north. I am pleased to hear that progress is being made with the integration problem of our native people.

I think you will have gathered, Mr. Speaker, from what I have said that any such program has to be handled very carefully. In the first place we must remember, because this is a fact, that northern people do not trust governments. Let us face these facts. It is no use sending men out to any of the northern areas I represent or the area my friend from Athabaska represents and saying, "Now, we will show you how to farm; we will show you how to raise cattle; we will show you how to do this or that." The people will come back and tell you this: "That's fine. We know we can farm here. We know there is suitable soil, and it is fine for the Government to come and show us; but the Government doesn't worry about where the money is coming from for seed, equipment and things like that. First of all you must show us how we can get the money to obtain the necessary seed and equipment, and then we will appreciate the advice you can give us."

I think, if we approach it from that angle, if we go into these areas, if our men go into these areas, whether they are the anthropologists or whoever they may be, and say to the people: "Now you have a problem, both an economic and social problem. We know that you, yourselves, haven't been able to solve it, and we are prepared to give you whatever assistance we can, if you want us to." I am sure that, if we made that kind of approach, we will find that the people will be interested in whatever we desire to do – not do it for them, but help them to do it themselves. I hope that whatever programs this Government has in mind for community development will be a success.

There is one thing I would like to say before I sit down. I have tried to be sincere and think I am honest in everything I have said – sometimes I don't like to say things I have to say. I am going to refer again to the question of the rights of the Treaty Indians. I have two or three reservations and quite a few people in my area; and I would say this; I don't care what it is going to mean, politically, to me or anyone else; but I am not satisfied when all we have is just conferences. I think everyone in this House will recognize that a human being has rights, and he shouldn't have to beg for those rights. We have taken the stand, from the reports we have had, that the native Treaty people, because they have signed Treaties with the Dominion Government, are entitled only to certain privileges – that voting is a privilege. I take the stand, in line with Mr. Kennedy, one of the natives of this province, that the right to vote is not a privilege, it is a right. I don't care whether the native people use that right or don't use that right. We should put on the statute books of this province, the least we can, that human beings, whether they are Indian or white, should have the right to vote if they are Canadian citizens. Because the Indian people are Canadian citizens and human beings, then they are entitled to that right.

I could say much more, Mr. Speaker, but, as you see, I am having some difficulty with my throat this afternoon; I am speaking under some difficulty. Therefore, I am only going to say that I will support the Budget. I think it is good, it is balanced, and it is in the best interests of the people of Saskatchewan.

Mr. J.W. Gardiner (Melville) – Mr. Speaker, after the three addresses which have been made this afternoon, I rise in this debate with some hesitation. It seems that almost everything that has been said in the debate this afternoon could be answered, but I do not intend to take the time to answer most of what was said, because much of it was so ridiculous.

However, I would like to say to my hon. friend who just took his seat (Mr. Berezowsky) that I am pleased with many of the things he said in his address. I noticed the other evening, when he was addressing a C.C.F. club in this city, he made the remark that the Timber Board had made mistakes originally when it was set up, and he went on to state that some of them were corrected. I am not too certain whether he told them (at least the press doesn't record it) just what the mistakes were. We in the Opposition know what most of the mistakes of the Timber Board have been in the past, but possibly he could have enlightened us to some extent with regard to what he feels have been the errors of the Timber Board. In most instances in this House whenever I have heard him, he has usually been defending the Timber Board, and the operations of this Government. So as to the statement he read from the Liberals, I can say to him as well that the member does not always say the same outside as he says in this House, because, I suppose, he feels that he has to defend the position of the Government when he is speaking from his place in this Legislature. However, he has this afternoon been fair, I believe, in some respects, and I will give him credit for the fact that he had taken the stand here this afternoon, defending the people that he represents in his own constituency and his own area of the province.

I am sure he will be disappointed, and the people of the north will be as well, that when our friend down in Ottawa 'John' has caught 'the vision' the people across the way are beginning to lose it, and I think it must be because of the fact that perhaps they realize there are a few more votes in the south of the province – and it is drawing closer to an election – than there are in the northern part of our province. They say here, of course, that they feel the money should be exchanged and less spent in the north, and more spent in the southern part of the province, largely, I believe, because of the clamour and arguments that have been raised in this Legislature in the two Sessions – or few Sessions, including a part of this Session that has already taken place – on behalf of the municipal people and the school people in this province.

I feel that the Government is at last, to some extent, beginning to accept the suggestion that the Opposition has been making now for two and a half years, with regard to the financial responsibility of this Government in connection with education and municipal affairs.

March 3, 1959

There have been statements made both by the Provincial Treasurer in opening the debate and presenting the budget to us, and by speakers who have followed him, with regard to the past. However, unfortunately, most of the speakers, when they are speaking, pick one year to go back to, and compare what went on in that particular year with what they are doing at the present time in this province.

I am in a position today of having a little information that is even a little bit older than what they usually go back to, with regard to the records of the Party that we on this side of the House represent. I go back to earlier times in the history of our province, and in particular, to the Budget Address which was presented in the year 1927 by the then Premier of the province and the Minister of Education and the Provincial Treasurer. The Budget for 1925-26 indicated 35.9 per cent of the total budget was expended for educational purposes. Yet there are people who try to leave the impression that the budget which has been presented today contributes a greater share than any government has ever contributed in this province towards education – 35.9 per cent. Up until the 1937 there was no time when the percentage contribution by the government of this province out of the revenues and expenditures of this province, fell below the point that this Government has at last reached since it came into office, of 23 per cent.

As I stated in the Budget Address, last year, and I find I have to repeat on this occasion, from 1937 to 1944 there were reductions from time to time in the percentage proportion paid to education, but when the Liberal Party went out of office in 1944, it averaged a level of about 14 of 15 per cent of the total expenditures. From then until March 1953, it stayed at almost the same level. Around 15 per cent was the total budgetary expenditure which was made on education from 1944 to 1953.

I would like to remind the Government, and the members across the way that I said last year that was the damaging time as far as the rural areas of this province were concerned, not in the last two or three years, with regard to education. It was during that period from 1944 to 1953, when the proper amount of the governmental expenditures of this province were not accorded to education, that the damage was done to the educational system of this province.

Our Government has tried, during the last three budgets, to rectify the conditions that exist, but up until this present budget there has never been an occasion since they have been in office, I don't believe, that any amount they have contributed to education has done any more than make up for the increased cost that school boards have had to meet in those particular years. I say this year may be an exception, but it is about time, Mr. Speaker. It is about time that education was given its just due in this province, by those who have talked so long, so loud and so often about their responsibilities, and about their desires to do something for the education of the children of this province.

If this Government today were paying in accordance with their total expenditure an equal amount to bring their expenditures on education up to what was being spent by a Liberal Government back at a time when conditions for that day and age were possibly about as they are here today, or as they have been in the last few years, they would, today, have been paying well over \$40 million towards education, instead of the \$31 million they are paying at the present time, when you compare the budget of 1925-26 with the budget of this present year.

It is quite easy to see that you can take any one particular year and you could probably prove a point; but you can take from 1920 to the present time, when we have had a Liberal Government in office here in Saskatchewan, and you will find that the record, as far as the contribution towards education in concerned, has been as good in most of those years, and better than the contribution which has been made by this Government you have sitting on your right today, Mr. Speaker.

Then we come to the subject of health about which a great deal has been said. I want to compliment the Minister of Public Health and his Department for the many things that have been done down through the years with regard to health, since this Government here has been in office. But I would also like to remind him, and other members of his Party, that the Commission which was set up by his Government, following their election to office in this province, reported that the health conditions in this province, under the previous government, were among the highest of any on this continent. I think the gentlemen across the way should give credit to the fact that the health services were of the standards they were at the time they came into office, in spite of the fact that we in this province had been through one of the worst depressions that we can ever remember. In spite of that fact the Government of the day had retained and worked to see that the health standards of our people were kept at a high level. So I can say this to my friends across the way, that in your program of public health you have actually done nothing else except continue the policies of the previous government, enlarging on them as conditions permitted from time to time. We all realize that, in 1944, – I don't know whether there were any political parties besides the two of us, there probably were some Conservatives – the Liberal Party of that day supported hospitalization and full medical services to the people of this province, as my friends across the way well know. If they had accepted the recommendations of that government our people might have had hospitalization a year or two earlier than they did after the election of 1944.

With regard to the argument of the Provincial Treasurer with regard to increased costs, there is no doubt in my mind, as with everything else, there will be some increased costs. There has been some suggestion of geriatric centres, as suggested by the Opposition critic in his address, yesterday, being transferred in some form to hospital services. It was not clearly indicated by the Minister in his Budget Address, it wasn't clearly indicated through the Estimates as to what form this change is going to take. I know at the present time the policy is, I believe, in geriatric centres and other institutions of that type, that anyone who is receiving a Government pension, when he is placed in the institution, the pension goes to the Government in order to pay some of the costs of the operation of that particular institution.

If the change in policy is going to mean that this will no longer be the case and that the pension of those who are receiving pensions in geriatric centres will no longer be taken, then I think the move is definitely a step in the right direction. But I hope that the Minister of Public Health, when he makes his address, will make clear whether this has been the change, whether the people who have pensions in these institutions are now going, through their hospitalization, to receive all these services free and be able to retain the pension they are receiving at the present time without being charged for that service. If that is done, I would say there has been a change which should add cost to the hospitalization services of this province. Otherwise, if that is not being done, it is just a matter of transferring costs from one branch of the Government, and it is actually no increase, or should not be considered an increase, to the hospitalization system in this province.

Just to go on with regard to the financial aspects of hospitalization. In the budget or the estimates of 1958-59, the total for hospitalization is estimated at \$16,610,510. That is the amount that was going to be expended out of the general revenues of the province, with the exception of the amount collected through the sale of hospital cards, which, in that particular year I understand, would probably run to a total of some \$10 million, or approximately that figure. So we would find in that year the total cost of the hospitalization scheme in the province would amount to roughly \$26 million, without going into exact figures. In the budget that was presented last week, we find that in the estimates from the revenues that will be paid out of ordinary expenditures, the sum of \$23,887,700. On top of this we will again have the money which is collected through the sale of Saskatchewan hospital cards, which I would estimate might run to between \$8 million and \$8½ million, with the estimated reduction that was suggested by the Provincial Treasurer in his Budget Address. So we find, actually speaking, the cost of the hospital scheme will be in the neighbourhood of \$42 million in this present year, providing the estimates are correct, and that last year the cost of the operation of the scheme would be in the neighbourhood of \$27 million, making a difference in the total cost of some \$5 million.

According to the figure that is to come from the Federal Government of \$13,250,000, it should leave roughly \$3 million for hospitalization purposes, or for some other purpose, according to the explanation of the Provincial Treasurer. Of that, about \$1½ million is to go to the reduction in the hospital card system. The other half is either taken from medical services, and put into some other bracket of government, or some other purpose has been made of it. However, as was explained by the Provincial Treasurer, his view is that a lot of the increase in this particular instance is increase in cost, and some of it is, as he stated, increase in services with regard to geriatric centres, and one or two other items which were mentioned by him at that time. But I do want to repeat, Mr. Speaker, that if, as I said previously, the policy of the Government is to do what I indicated in my address with regard to geriatric centres, then I say here that that policy, I believe, is a forward step. If that is not the policy, it is just a matter of transferring an expenditure from one department of government to the other, and one which I do not believe will be much of a forward step in the advancement of public health in this province.

In going into the general aspects of the budget, there is just one reference I would like to make with regard to the matter of public debt. I believe the hon. Attorney General made reference to the fact that he thought someone would state actually what the public debt of the province was, including self-liquidating and dead-weight debts, as was placed in the Budget Address this year. We find in the figures presented to us in April, 1944, debentures and treasury bills outstanding, April 30, 1944, of \$218,155,854.12. On December 31, 1958, debentures and treasury bills outstanding amounted to \$333,192,809.19 – and yet there are those who state this Government has not increased the debt. This is the way they figured that out. They have what they call self-liquidating debts and they have what they call a dead-weight debt. On April 30, 1944, the self-liquidating debt, as they have stated here, was \$50,705,461.44, and, of course, since their Government came into office, the self-liquidating debt is much higher – \$267 million. The dead-weight debt in 1944 was higher – \$167 million, than their debt in the same field – \$64,760,000. But the direct debt, as stated in the statistics put out by the Provincial Treasurer himself, in 1944 was \$218 million, just after we had come through one of the worst periods in the history of this province. I am not going to say that it was particularly the responsibility of a Conservative Government, but the facts do indicate that the majority of that so-called dead-weight debt did appear on the books of this province during a period when there was a Conservative Government in this province.

The Government that followed them – the Government of the Hon. W.J. Patterson, did everything humanly possible in the years they were there to retain the public debt of this province at that figure, and continued to pay off these debts. There were other things they could have done, I imagine, as other provinces did, that might have affected the position of the Government of this province, and the borrowings of money for years and years for perhaps generations. Those measures they did not accept. They believed that we as a province should go out and pay our debts. That is the job they undertook when they came into office in 1935, and of course there were some services that perhaps had to be held down during the period they were here. But I say again there was very little actual difference in the debt of this province after 10 years with a Liberal Government. Some say there were no improvements, but they don't actually mean that. They say it, but they don't believe it; they know different. But, in spite of the millions that were spent during that 10-year period, the debt of this province of all kinds was kept down to a reasonable level. Since the C.C.F. Government has come into office, the total direct debt has increased by \$110 million in the most prosperous period that this province has ever known. Yet speakers on the other side will stand up and try to condemn the Liberal Government in the past for the debt picture of this province in previous years.

I hope, Mr. Speaker, they keep in mind not only conditions under which governments must operate, but keep in mind there are figures which we can take for one or two years; but we should go back and try to get the whole picture, when we are making criticisms of former administrations in this province.

When we are speaking on the Budget Address I believe we should take into account where we are going to realize money from, in order to pay for needed expenditures in order to provide the services for our people. In the last three years that I have had the opportunity to sit in this Legislature, and have had the opportunity to enter the Public Accounts Committee, I have begun to wonder whether we as members are actually operating the Government of our province, or whether we have tuned it over to groups and individuals to operate for us. We find in the Estimates that have been presented to us by the Provincial Treasurer, that we have expenditures for an Economic and Advisory Planning Board. Then we have another Board to advise us with regard to industrial development. Both those Boards together, is it roughly estimated, have an expenditure of between \$150,000 and \$200,000. Then, when we got into every Department, we have found during the last few days, I am sure, that almost every Department of Government in this province, since the Government has come into office, has brought into this province, from outside largely, experts (as they call them) in every Branch of the Government; largely because of the fact that the Government that we have sitting here, supposed to be representing the people of this province, is incapable in their own right of governing this province, and they must depend upon high-paid experts and officials to come in here and tell them how to carry on their business.,

During the short time that I have been in this Legislature, quite a number of Committees have been established. Only this last year there has been a Committee with regard to the Telephone system in this province. I don't know how they were assembled; I don't know how the Committee acts or performs – but I know, as the secretary of a rural telephone company, I received a sheet of paper asking for my views with regard to rural telephone systems. Then this year I also received another sheet with regard to the parks and recreational facilities in this province. Then I am told, when I come in here, that there was a man paid \$10,000 in one year in order to come in here to tell us how long the bridges should be in the parks in this province of ours, in order to make the facilities available to the people of this province – a man brought in from Toronto to tell the people of this province how we should operate our parks here in Saskatchewan, brought in from Toronto because he was supposed to be an expert, I suppose. I believe, Mr. Speaker, that we should have men intelligent enough in this province if we haven't got them in the Government, to go out and lay down a policy to look after the parks system of our province without throwing away the money of our people. I am quite certain that in many instances they won't pay any attention to it, anyway. That is quite often what happens, and that is what causes, in many instances, the bungling that goes on in the Government departments of this province. This has been, since its inception, a Government of hired experts paid for by the people of this province, instead of a Government of men who have been elected to represent the people.

Then we have at least two Committees besides that. We have the Continuing Committee on Local Government which is meeting and for which we have an estimated expenditure in the neighbourhood of \$80,000 to pay for the present year. So far as I am concerned, after reading the report of that Committee,

I don't think anyone here can say when they are going to make a final report. This thing may go on for years, costing the people of this province \$80,000 each year until we have a Government which is prepared and has the courage to take the stand which they believe to be right with regard to organization in this province, and go to the people, and ask for their support, and if they don't get it, then get out.

It is far past the time, as indicated by the Provincial Treasurer – the rapid rise in economic position in this country generally as well as in the province of Saskatchewan. I might say that for some time the development here for a good deal of the time was slower. The Provincial Treasurer today throws out his chest because of the fact that he claims things are going along just about as well today in Saskatchewan as they were two or three years ago, and the rest of the country is experiencing a bit of a come-down. Well, Mr. Speaker, it took us about 13 years to even come close to catching up with the progress of many of our brothers in other provinces in this country, and so I would hope that at least we would be able to hold a level a while after the others had started on the downward trend, when they reached a much higher peak than we could ever consider that we have reached in this province, under a Socialist administration.

So I would say here today that if the Provincial Treasurer would like to know how he could find more money in order to provide more services, I would suggest the first move he makes is get rid of most of the experts this Government has hired, and get some men with some good, practical horse-sense that know something about the operation of the affairs of this province. Then he will be doing something that will prove an advantage to the people here, which will provide the Treasury with further funds in order to carry on the operation of Government, and will allow him to come in here with a budget to provide greater services to the people of our province.

With regard to expenditures as well, there are other items that we have to take into account besides the hiring of experts and officials of that type for the Government of this province. As has been indicated in addresses before, in this Legislature, there have been millions of dollars spent since this Government came into office, in providing them with a propaganda machine to see to it that they have the opportunity to infiltrate the people of this province to such an extent with their information and propaganda, that no one else, no other political party, no matter how much money they might have at their disposal, would ever be able to reach the peak point that this Government has reached in propagandizing the people of this province with regard to affairs from day to day. So we find not only in relationship to the printing costs to the people of this province, that our Cabinet Ministers have gotten up in the past and said, "We're saving you money; we operate cheaper than we would if we had to send printing out to some other organization." Well, I hope so, Mr. Speaker. I hope when they have a complete monopoly they don't have to worry about making any money; they can set their own prices, because it is the Government itself. I would hope they would be able to do it a little cheaper.

However, I am quite certain that if they did away with at least half the printing, it would prove a great deal cheaper to the people of this province, and would also provide a little release for the people of this province, and it would provide a little release for the reading members of families – a little release from the continual barrage of information and propaganda that emanates from all departments of Government. I have said it in the past, and I will repeat it, Mr. Speaker: personally, as a citizen of this province, I am getting sick and tired of every time I turn on the radio or TV set, to be continually reminded that we have a Socialist Government in this province of Saskatchewan, operating our affairs and doing it at the expense of the people of this province. I have some idea, after last week, of that TV costs, and I think the people of the province would probably like to have an idea of what it costs to operate TV programs, to put on, say, a 15-minute program. A 15-minute program over a TV station, if it is produced on film ahead of time (as many of the programs are) costs in the neighbourhood, on one station, of \$400. I am quite certain that any one in this province will realize that any organization that can put on broadcasts of that type, week in and week out, must have a source of funds which is almost inestimable as far as operating their particular concern goes. As far as the province of Saskatchewan is concerned, they have a position there with regard to advertising, TV programs, by which they can take advantage of the people of this province. I think that from now on anyone in this province, when they sit down at their TV sets and watch a 15-minute or half-hour program coming over, sponsored by the Government of this province, can remember that, if it is a 15-minute program, it is costing them while they are sitting there, \$400 to taxpayers in this province. If it is a half-hour program, I don't know whether they still put any on, but they used to put on half-hour plays, it costs a lot more than that, and we are getting more programs every day.

Hon. Mr. Brown (Minister of Travel and Information): – Mr. Speaker, would the hon. member answer a question? He just referred to 15-minute programs on TV. What program is he referring to?

Mr. Gardiner – I'm talking right now about any program.

Hon. Mr. Brown: – I'd like to know what program.

Mr. Gardiner – I don't think I have to tell the people which programs. I don't get an opportunity to watch them these days.

Hon. Mr. Brown: – You tell them. That's all.

Mr. Gardiner – The Saskatchewan Power Corporation – every second time I turn on the news, whether on radio or TV, at least two or three times every week.

Hon. Mr. Brown: – On TV? You had your wires down . . .

Mr. Gardiner – Only the other night I watched the news on TV, and it was sponsored by the Saskatchewan Power Corporation. I am quite sure the others that watched the TV set could tell the Minister exactly the same thing. If he doesn't know they are sponsoring TV programs,

he'd better get down to the Power Corporation and find out what they're doing.

Hon. Mr. Brown: – That's what I wanted to know. I was curious to know which program you were referring to.

Premier Douglas: – But it was not \$400.

Mr. Gardiner – I can assure the Minister that since the last election, the program time has been cut down some, I will admit. It was much more strenuous immediately before the last provincial election in this province, and around the time of the Federal campaign. I used to have to listen to the people in your Department every Sunday night for half an hour – the people in this province used to have to listen to the Saskatchewan Power Corporation program. I believe they have taken that off now; all the elections are over, and they don't need the propaganda.

Hon. Mr. Brown: – Didn't you enjoy it?

Mr. Gardiner – But I am quite certain that when the next election comes along, the people will be put to the same expense. The Power Corporation will put out TV programs as they have in the past, just before election – TV and radio programs and publicity in every newspaper in this province, at the expense of the taxpayer.

So, Mr. Speaker, in connection with this budget, I would first say this: as the official critic for the Opposition mentioned, out of the whole budget there was only one item of real progress and advance in the organization of this Government, and that is in connection with education. Here it is only after the last three years, since the last election, and continual speaking from the Opposition side of this House imploring the Government to provide greater assistance to education, and they have not yet, even in this budget, provided what has been suggested should be provided, by Opposition members, for education. But here, and here alone, have they made any advance over their budget of a year ago, and I am quite certain, as far as economies mentioned by the Provincial Treasurer are concerned, I don't know where these economies have taken place. I have looked through the estimates, and as far as administration services are concerned, I cannot find any economy. In fact, the administration costs of practically every branch seem to have gone up in the new budget, as compared to the last one. I quite well realize that probably there are facts that make that necessary; but I cannot find, outside of the one item that I mentioned, with the exception of one item where the Federal Government is responsible – and the previous Liberal Government, which inaugurated the program in the first place, is responsible for the extra assistance which has been made possible to that particular branch of Government. Only in those two instances has there been any improvement in the responsibilities undertaken by this Government over the budget of a year ago. I don't see how anyone on the Opposition side, when we have pledged for 50 per cent of the cost of educational services for our people, could support this budget. When the Government has failed to provide that one item, how we could support this budget is very difficult for me to understand.

Before closing I would just also like to mention the fact, as mentioned in the debate on the Throne Speech by the Premier, but was not mentioned to any great extent in the Budget Speech that we had last week, and that is the question of the appointment or the enlarging of the Bureau of Alcoholism, of providing sufficient funds to set up an educational program in this province which can meet the needs with regard to the alcoholic situation in the province of Saskatchewan, or the needs of the threat that might come into this province from other places where conditions are worse than they are here at home. Yet there is an increase from \$17,000 up to \$43,000. According to the estimates, there are going to be eight individuals hired under this allocated money. I only hope that, when we come back next year, we won't find they will say to us, "We couldn't find anybody."

Only the other day I noticed in the Insurance Account, where they are providing \$100,000 for education to provide safe driving among our children. Surely here is one way in which they could also add to the possibility that our children in the future might have a proper education along the lines of temperance and proper living, if they would provide either a like sum, or even a larger sum, in much the same way, to the schools of this province to provide a course in connection with the alcohol problem in this province and in the country as a whole. I am disappointed that the recommendations, as made by the Committee, of some strong program, some real addition to the educational courses on alcohol have not been implemented. I am very disappointed that this Budget Address of the Provincial Treasurer did not provide a suitable answer, to my way of thinking, to the problem that exists in this province, and throughout the country at the present time.

Because of the fact that the new legislation has been presented to this House with regard to the liquor problem, I find it very difficult to support the budget. Only today it has been reported in the press by the Provincial Treasurer that the profits of the Liquor Board in this present year are going to be much higher than he had estimated – a possible \$12,500,000 in place of the \$10 million that was estimated. Surely, Mr. Speaker, when he has \$2½ million more from liquor profits, more than \$25,000 or \$30,000 of that money should be placed back into some type of educational program in our schools that would permit a better system of education with regard to the problem of alcoholism.

I know that the present Provincial Treasurer has not too long to be with us in politics in this province, according to statements that emanate in the press and in this House, but I hope that his successor will undertake – and I know he will, because I am certain that his successor will come from this side of the House; will undertake a program in this way, to add to the future safety and welfare of our children, and of our families in this province, from the scourge of alcoholism.

Hon. Mr. Fines: – Mr. Speaker, may I ask the hon. gentleman a question? Has he any idea how much money is being devoted to this educational work in the schools that he is talking about?

Mr. Gardiner – Well, for the Bureau of Alcoholism, there was \$17,000 spent last year on that particular item. I am quite

certain that quite possibly there is some education with regard to alcohol problems in the schools at the present time, so there may well be, although I have not seen too much evidence of it. If you go around it is a very small thing. I think probably before there was some education with regard to safe driving by teachers, I am quite certain there was, to a certain extent. But we have provided a new program and a new grant for that purpose, and I can quite safely say here that I think the least we can do is to provide at least an equal amount to look after the problem as important as the one that we are dealing with in this discussion, the problem of alcoholism.

Mr. Speaker, because of the reasons I have suggested here, I can quite safely say when the vote comes up on the Budget, I will be voting against it.

Hon. C.G. Willis (Minister of Public Works): – I take leave to adjourn the debate.

(Debate adjourned)

DEFICIENCY PAYMENTS OF GRAIN

Moved by Mr. Meakes (Touchwood), seconded by Mr. Brown (Bengough)

“That this Assembly, recognizing the serious economic plight of Western agriculture and resulting adverse effects on the entire provincial economy, request that the Federal Government give favourable consideration to the petition being submitted by Western farmers to the Federal Government for deficiency payments on grain deliveries for the 1955-56-, 1956-57, and 1957-58 crop years.”

Mr. Frank Meakes (Touchwood): – Mr. Speaker, I have one basic reason for moving this motion, and it is not to start any arguments. After listening to all the members who have taken part in the different debates in this House, I am sure that all will agree with me on what this motion asks for. My reason for moving this motion is that the farm organizations in western Canada have organized a ‘March on Ottawa’, and they have got over 200,000 names on their petition. It seems to me only reasonable that this Legislature should endorse and support the reasonable demands of these farm organizations.

These demands came about because of increased costs of production, and at the same time declining prices of products. Further, this has been brought about because of certain promises that were made by certain parties, in 1957-58, promises and statements that have not been fulfilled. The farmers are only exercising their rights.

Nearly 1,000 years ago the people of England fought, and were granted, the right to approach the foot of the Throne with their demands. This method of justice is being practised practically every week. Hardly a week goes by that one does not read of a delegation attending governments, either municipal, provincial or federal, to lay their case to the government in question. For these reasons it seems to me important that this resolution should be supported by all members of the Legislature, as another sign that the people of Saskatchewan are unanimous in supporting the petition being put forth by the farm organizations.

I, therefore, take pleasure in moving this motion.

Mr. A.L.S. Brown: – Mr. Speaker, like the hon. member for Touchwood, I will be equally brief. I do not think we can accept this as being anything but a political issue, but I hope and trust that we can consider it not as a partisan political issue. I think, if we assessed it on the criterion of three or four basic issues, this House could do nothing else but arrive at a unanimous conclusion that we must support it.

I think we should ask ourselves these four questions. First of all, is western agriculture, and particularly grain-growing economy in western Canada, in a disastrous position, and reaching a point where it could dissolve into a bankruptcy industry? Secondly, are deficiency payments the answer, or at least a partial answer, to this situation? Thirdly, have the western farmers, through their organizations, made a case for deficiency payments? Fourthly, considering the position that the grain-growing industry in western Canada is in at the present moment, are the farmers of this province and the neighbouring provinces, justified in taking the action which they propose under this March to Ottawa?

My answer to all four of these questions is an emphatic ‘Yes’. I trust and hope, as has been expressed on several occasions in this Assembly already, that all members will agree with me that our answer must be yes. I feel that this Legislature by endorsing what the farmers through their organization are asking for at this time, will give additional support to them when they meet the Government at Ottawa, and I suggest that the farmers, through their delegation to Ottawa, are going to have a sufficiently difficult job in persuading the Federal Government of the justifications for their case, and the necessity of immediate action. I feel confident and satisfied that by unanimously endorsing the resolution which has been placed on the Order Paper by the member for Touchwood, we will be lending a helping hand to those people at this particular time. For that reason, Mr. Speaker, I have great honour in seconding the motion.

Mr. A.H. McDonald (Leader of Official Opposition): – Mr. Speaker, the members of the Opposition wish to place ourselves on record on this occasion, as we have on previous occasions during the Session of this Legislature: I am sure that we on this side of the House would be pleased to give our support to this resolution which is now

under debate. I sincerely hope that the people responsible for the March on Ottawa will have every success, and that it will undoubtedly, if it has that success, improve the economy of Saskatchewan, and I am sure, of Canada as a whole. We are more than pleased to have the opportunity of giving our support to this resolution.

Mr. D.T. McFarlane (Qu'Appelle-Wolseley): – I didn't intend to speak on this resolution, only give it my wholehearted support; but I did prepare something that may be of interest to the members this afternoon, that arose out of an article in one of my local newspapers. The article and all the interest started by one lady (she is quite an elderly lady down in the town of Grenfell) happening to mention to the editor of the paper, about a week ago, that she thought that there was a previous delegation that went down to Ottawa in 1905. She could not remember the name of the delegation or who had sponsored it, but that interested me to the point where I went and tried to assemble some information on that delegation in 1905. However, to the best of my knowledge and the records that were available to me, I find out there wasn't a delegation in 1905 but there was a delegation that went to Ottawa in 1906. I think it will be interesting to bring out, this afternoon (it won't take very long) some of the history of the farm delegations to Ottawa that have taken place over the past 50 years.

It will be especially interesting in view of the statement made by the Minister of Natural Resources about a month ago when he accused the farmers of western Canada and accused farm leaders of starting a delegation which didn't seem to be organized on the "grass-roots" level. It was interesting to go back and study the history of the three previous . . .

Hon. Mr. Brockelbank (Minister of Mineral Resources): – Mr. Speaker, on a point of privilege, we would appreciate it if the hon. member would make it clear who he is talking about. He said, I think, "the Minister of Natural Resources".

Mr. McFarlane: – Oh, pardon me!

Hon. Mr. Brockelbank: – Now, sometimes I am called that and sometimes my friend behind me is called that, but I don't want to accept any responsibility for the matter to which he refers.

Mr. McFarlane: – I hope neither of you have a guilty conscience because I refer to the Minister of Northern Affairs and Natural Resources in the Federal Government.

As I was saying, the history of farm movements and the history of farm agriculture in Saskatchewan and in the west has been an exciting history, and we have lost a great deal of that history due to the fact that many of the old-timers, many of the pioneers of this province, have lost or destroyed diaries that they had kept of those times. In this one case, where this particular person thought it was 1905 it turned out to be 1906, even though the official records in some of the districts are missing, still we have access to records

that give us the history of the farm movements and especially farm delegations from 1906 to the present time.

I would just like to point out some of the reasons why a delegation went to Ottawa in 1906 and list the names of some of the people who were involved in that delegation. In 1906 a delegation representing the Grain Growers went to Ottawa to discuss before the Agricultural Committee of the House the subject of grading and inspection of grains and of other unsatisfactory aspects of the grain trade. The results of that delegation were this. So many contentious points and issues arose in those discussions that the Government found that it would be expedient to accede to the Grain Growers' request for the creation of a new grain enquiry Commission.

It may be interesting to know some of the leaders and some of the men responsible for that Commission at that time. I am just going to mention a few. It was a sizable delegation from the Saskatchewan Grain Growers' Association, together with leaders from Manitoba and Alberta, accompanied by the then Minister of Agriculture, the Hon. W.R. Motherwell; and as I stated before, a number of them appeared before the Agricultural Organization Committee, and the dates of that delegation were June 12th, and June 13th in 1906. It was especially interesting to me because a former resident of my own constituency, a man who was very active in the farmers' movements of those day, Mr. John Miller of Indian Head, was along with that delegation and it also included Mr. D.W. McCuaig of Portage le Prairie, Mr. Grier of Macleod, Alberta, Mr. Wood, of Oakville, Manitoba, and Mr. Fletcher of Strathcona, Alberta.

We can find a great deal of information on that by looking up files on some of the newspapers of that time. The farmers had problems in those days. They went down to Ottawa, presented their problems to the Federal Government, and received consideration for their efforts.

Then we go to the next delegation. It went down to Ottawa in 1910. During the summer of 1910, Prime Minister Sir Wilfrid Laurier was in western Canada, and on 20 different occasions the Grain Growers presented their briefs to him. From the preparation of briefs and the fact that Sir Wilfrid was approachable, there developed the idea of taking a petition of grievance to the foot of the Throne.

A prairie farm delegation of 500 went by train arriving in Ottawa December 15, 1910. The leader was also one of the men I quoted in 1906 – Mr. D.W. McCuaig of Portage la Prairie, President of the Canadian Council of Agriculture. Together there were 800 delegates from across Canada. The Western M.P.s under Senator T.O. Davis of Prince Albert, met the special train at Renfrew, Ontario. The Prime Minister officially welcomed them in the House of Commons – that is Sir Wilfrid Laurier – and Earl Grey, the Governor General had them visit Rideau Hall. The Hon. Frank Oliver, Minister of the Interior, gave them a dinner in the parliamentary restaurant. So you can see by that they there were royally entertained when they went to Ottawa with their case.

Hon. Mr. Brockelbank: – That's about all they got, though.

Mr. McFarlane: – Oh, the hon. Minister says that's about all they got. Now, it states here that the delegation asked the Federal Government to:

1. Take over the ownership and operation of all terminal grain elevators.
2. To construct and operate a railway to Hudson Bay.
3. To pass legislation to permit the incorporation of co-operatives.
4. To create a system for handling chilled meats.
5. Lower the duties on all British imports to one-half the general rate.
6. Adopt complete free trade with Britain within a ten-year period. (The farmers declared themselves willing to be taxed to make up the revenue losses.)
7. They also wanted the adoption of reciprocity with the United States in all agricultural products, for fuel, lumber and fish.

The Prime Minister, at that time, replied to the petition and pointed out that the Government was striving for a reciprocity treaty with the United States. The Government preferred stricter supervision of terminals rather than government ownership. There was an investigation started in regard to returns made by three elevator companies, and these were prosecuted.

It goes on to state that, in addition to Mr. McCuaig and Mr. Motherwell, we had Mr. E.C. Drury, Canadian Council of Agriculture, later Premier of Ontario; James Bower of Red Deer, Alberta; E.J. Fream of Innisfail, James Speakman of Penhold, and D. Warner of Edmonton, all from the United Farmers of Alberta. Also Mr. F.W. Green from Moose Jaw; E.A. Partridge from Sintaluta; who created for himself, in later years, the reputation among the Grain Exchange men and all the financiers in the east as "that man Partridge from Sintaluta". J.A. Mahard, another man from Moose Jaw – they were all from the Grain Growers' Association, and John Evans of Saskatoon was also present as a delegate.

While this has been called the first 'March on Ottawa', it was actually the second large delegation. It had results. In January 1911, legislation was introduced in Parliament to make for stricter supervision of terminals. The London 'Times' reported the event noting: "Heretofore western Canada has played a part in politics smaller than its due. It is certain to throw up leaders of its own stamp." So I say that, in spite of what the hon. Minister said, these delegations had results.

From 1910 we go on to 1942 when we had another delegation organized in western Canada and going to Ottawa to present the problems of the farmers to the Federal Government at that time. This delegation was also organized in Saskatchewan. This time it was organized by the Saskatchewan Wheat Pool, and the delegates selected to represent Wheat Pool sub-districts. The delegation numbered 430 from Saskatchewan and carried petitions bearing 185,000 signatures –

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somewhat similar to the number of signature we are getting on this present draft. In addition to farmers, the delegates included the Mayors of Regina, Saskatoon, Moose Jaw, North Battleford and smaller centres such as Humboldt and Melfort; the provincial president of the Homemakers' Clubs; the provincial president of the Saskatchewan Weekly Newspapers Association; presidents of Boards of Trade; at least one doctor, two clergymen, one priest from Prud'homme, and the Hon. Dr. W.R. Motherwell of Abernethy. The delegation was financed by small contributions which averaged less than 24 cents per person signing the petition. Two special trains carried the delegates, on a C.N.R. train from Saskatoon and the other, a C.P.R. train from Regina. The Saskatoon delegation was augmented by three delegates from the Alberta section of the United Farmers of Canada who were endorsed by the Alberta Wheat Pool, and by H. Lewis of the Manitoba Federation of Agriculture, bearing a petition of 6,248 Manitoba signatures.

On February 2nd, 1942, Prime Minister Mackenzie King received the petition from John H. Wesson, President of the Saskatchewan Wheat Pool and spokesman for the 430 Saskatchewan delegates.

The petition, in 1942, reviewed the plight of Saskatchewan farmers and appealed for an increased price for wheat. The price the delegation asked for was \$1 per bushel. It also requested an adequate system of crop insurance to provide compensation for those producers who suffer partial or complete crop failure. Subsequently, the Saskatchewan Legislature unanimously passed a resolution, introduced by Premier Patterson of that time, endorsing the requests presented to the Federal Government in the petition. In March, 1942, the Federal farm policy for 1942 was announced, including an initial price of 90 cents per bushel for wheat, which previous to the time the delegation went down, was 70 cents per bushel.

So, Mr. Speaker, in spite of the adverse criticism that is possibly going throughout the length and breadth of the country today regarding the farmers' right to go to Ottawa, regarding the case that they are trying to take to Ottawa, I think that all we have to do is go back over past history of agriculture in the west. We see that delegations such as this have gone before. We have seen how orderly they have been before, and we have seen that results have accrued from the presentations to the Federal Governments of those days.

I suggest that the farmers and business men of Saskatchewan today, the church and clergy, and all those involved, need make no apologies for the actions they are taking at this time. It is because this is a 'grass-roots' movement because we are the common people of this land, because we have the privilege to present our case to the foot of the Throne, Mr. Speaker, I suggest in view of the past history, that we should support another delegation of this type.

Hon. Mr. Nollet (Minister of Agriculture): – Mr. Speaker, I am naturally going to support the resolution which is before the Assembly. It was moved by a private member and not a member of the Government, so that should give an impartial attitude to supporting the

farm organizations, at this particular time. The resolution is timely, and I feel the Legislature would have been very remiss in its obligations to the farmers of the province had we not endorsed a resolution of this kind. I believe all members have agreed to support the motion presented, and I do hope that more benefits will accrue, as a result of this delegation going to Ottawa, than have been experienced in the past.

Mr. W.G. Davies (Moose Jaw City): – Mr. Speaker, I wish to speak only very briefly on this resolution. I thought perhaps the remarks on an urban representative here might not be amiss. I think this resolution is as much in the interests of the urban areas as it is of the farmers and the farming areas themselves. I think the results of the payments of the deficiency sums requested by the farm delegations will certainly augment purchasing power in this province, and will contribute to the prosperity of everyone, including the wage and salary earners, and the professional and business people in the urban areas. I am happy to note that the labour movement of Saskatchewan has also issued a statement in which it has supported the general principles of the farm delegation, and what they will request at Ottawa; and as well, I note that the Labour councils in the province have been able to hear farm speakers explaining the reasons for the delegation.

While on my feet, I think I should say that I have always held that the interests of the urban and the farm areas, are at heart, complementary, and I have disputed, and will continue to dispute, any publicity to the contrary. I think some have attempted to make a case, both in this House and elsewhere, charging that the wage and salary earners in this province and in Canada generally, have created the high costs of the farms, which are partly a result of the present position in which he finds himself. I think this position is a counterfeit position, and one that cannot be validated by what facts we know.

Just let me give you one or two examples, Mr. Speaker, which might perhaps point this up. In Canada today there is in real terms about two and one-half times more food consumed dollar-wise, than there was 30 years ago. There is a much higher per capita consumption of food because of a relatively higher purchasing power among urban populations. I think that this has done something to help the rural population even though the purchasing power, as I have tried to explain on other occasions, is still not high enough in urban, any more than it is high enough in the rural, areas. But it seems to me that if we followed the logic of arguments that have charged labour with being at the core of the farmers' troubles, it simply means that we would have to reduce the purchasing power of the labouring classes of this country. That reduction, I suggest, would merely reduce the amounts that have been spent on food, and will be spent on food in this country, and thereby worsen the over-all position of the farmers of Canada, and of this province.

It has also been said that high farm machine costs are to be blamed upon the workers in the factories. I would just like to say briefly, that every government commission, whether it has been a Federal or Provincial commission, so far as I know, in the last 50 years, has found that the reason for

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the high prices of farm machinery is because of the excessive profits in industry. I point out that the Legislation inquiry body of this very Legislature (again, so far as I know, on a unanimous basis), made a similar finding. I think there is this, too, that in the final analysis, deficiency payments, all payments that involve a subsidy or support, have to be paid by the taxpayers at large. I don't recall the exact figure, but it seems to me that in the neighbourhood of 70 per cent of total taxation in this country comes from wage and salary earners. I suggest that, to a considerable degree, the success of any deficiency payments or any other farm subsidy, would depend upon the welfare of wage and salary earners in this country. Any more that prejudices the position of the urban population will merely worsen that of the rural population.

With these few brief remarks, Mr. Speaker, I would like to say again that as the representative of an urban constituency and as a member of a trade union, I heartily support this resolution and hope that the farm delegation will have the greatest success.

The motion (Mr. Meakes) was then agreed to unanimously.

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