

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Third Session — Thirteenth Legislature**  
**16th Day**

**Thursday, March 5, 1959**

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

**BUDGET DEBATE**

The Assembly resumed from Wednesday, March 4, 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).

**Mr. B. L. Korchinski (Redberry):** — Mr. Speaker, I would like to continue the part I was taking in the debate on the budget, and I would like to review, briefly, some of the things that were stated yesterday.

It seems to me that the time has come when the people of this province should carefully examine the budget in view of the social philosophy that this Government supposedly sponsors. I think it is also time that the organization of the C.C.F. political machine should be carefully scrutinized. It seems to me that we have reached the stage in our political life in this province where a political party has elevated one or two persons in their leadership and they have committed to these two persons the whole business of running the affairs of this province.

We are presented with glowing reports of the benefits that we derive under the Socialist regime in Saskatchewan, and yet, for some reason, we do not get people coming into this province to settle; it just seems to be the opposite. It seems that year after year we have been losing our natural growth in this province to the neighbouring provinces. When the Premier of this province gets up and throws out catch-words such as 'planned economy', 'social planning' and 'economic democracy', I think it should be in the interests of all concerned that these terms should be more carefully explained by the Premier. When you hear the term itself it sounds very well, the same way as when you hear the words 'Co-operative Commonwealth Federation' — the insertion of this "co-operative" word into the name of the political party has certain advantages. It is likely meant to attract the people who are co-operative-minded.

In the same way it seems to me that the words 'planned economy' and 'economic democracy' and 'social planning' are meant to attract the people who do not stop to give thought to what these words mean. I think that the people of this province should insist upon clear explanations of these particular terms.

I think that my first duty in this Legislature is to my constituents, and later to the general welfare of this province. I would like to spend a

few moments on criticism of the budget as it concerns my people. Time after time I get complaints about the power rates – that they are too high; and the least I can do is express these complaints before the Legislature. I am told over and over that the power rates should be lower. When electrical appliances are used, such as lights, oil-burning furnace, iron, washing machine, toaster and radio, without having an electric water heater or electric range, it seems that very seldom is the bill for a month below \$10. Now this works a real hardship, especially upon the old-age pensioners. They seem to find it very difficult to finance themselves, to buy their food, to pay their rent and to pay this high electrical bill with the \$55 that they get. In this connection, I think it would be a very beneficial move if the supplementary allowance was more easily obtainable, and if it was raised. I think that the means test should be erased, because these are senior citizens and they find it very difficult to carry on with the income that they get.

It seems to me, also, that there is a question of trying to do something about our fuel bills. These smaller communities which I represent, in most cases use fuel oil for their fuel; and I find that there is about four cents difference a gallon in the price of fuel oil that is sold in Regina and the fuel oil we get in our area. The price here seems to be about 17 cents a gallon, and it is around 21 cents up there. This adds a very heavy burden to the fuel bill, and I think that this Government, since it claims that it is treating everybody equally, perhaps could do something about this particular item of equalizing our fuel costs.

I was certainly disappointed with the budget in that no provision was made to start repaying the farmers the \$500 they had paid the Saskatchewan Power Corporation when they were connected to the power lines. In my opinion all the citizens of Saskatchewan should be treated equally. Only then could we say that we have a just government. When a farmer has to pay \$500 for his electrical connection and the person in town pays nothing, or very little, I cannot see where there is justice done. I believe that the Power Corporation owes every farmer who received rural electrification \$500, and I was very disappointed that some provision for paying back this \$500 to the farmers was not made in the present budget. You may say, Mr. Speaker, that it is fantastic and impossible to start paying \$50 million back to the 50,000 farmers who have so far been connected. I say that, if it is possible to guarantee \$10 million for a steel mill to 10 millionaires, it should be possible to pay 50,000 farmers \$50 million back. I am sure that the province would get much more good out of these 50,000 farmers – and is getting much more good – than it is getting out of the 10 multi-millionaires that it is trying to create in this province.

There was no indication in the budget that there will be any tax reduction in rural areas. The price of lumber seems to be as high as ever, although this Government through its Corporations controls the production of lumber, and I am made to understand that it obtains finished lumber for about \$42 to \$46 a thousand, and yet it charges the farmers double the price for lumber. This is one of the reasons why farmers complain of the cost-price squeeze. There was no provision made in the budget to give the farmers cheaper fuel for their machinery. Nothing has been said about the truck licences which are so high, and which are needed by farmers in their production operations; nothing has been said about these licences being reduced. In fact,

although we are an agricultural province, the farmer seems to have been completely forgotten and overlooked in the budget.

I would like to say a bit about natural gas for our population. I think that the Government should take under consideration supplying our urban communities with natural gas. These smaller communities like Edam, Vawn, Meota, Cochin, Rabbit Lake, Mayfair, Hafford, Blaine Lake, and others, should have the benefit of this fuel, especially in view of the high price of fuel oil. It may be argued that to supply these communities with gas would be very expensive, that the pipeline construction from the source of this fuel would cost too much. The policy of this Government in supplying only the cities and some of the luckier communities along the pipeline is nothing but discrimination as far as the rest of the citizens are concerned, especially in the smaller communities. The natural resources, of which gas is one, belong to all the people of Saskatchewan and all the people of Saskatchewan should have the opportunity of using this natural resource. I believe that the policy of supplying only the cities and larger communities with natural gas is another item which adds to the movement of the farmers away from the farms and adds to the destruction of the family farm. I think that these smaller communities should be supplied with natural gas, and if it is not possible to pipe the gas to these communities, is there no some way that canned gas, under pressure, could be supplied and hauled in? I believe these communities are entitled to this benefit, and I think that this Government should, through its Corporations, construct distributing systems in these smaller communities and get this fuel to them.

It is high time that the Government should undertake to provide the smaller communities with running water and sewage disposal plants. We have been advocating this for years. Communities have been asking for it; and I am glad to hear the Premier mentioning that something is going to be done about it. I hope it is not one more of those election promises that they use just before an election. If the people today are thinking about flying to the moon in the various rockets I don't think that it is going to be too difficult to supply this particular service to our smaller communities.

I would like to say something about the location of industries in our province. It seems that the Government is making very much ado about how industrialized we are getting to be. We in the north were certainly disappointed when we heard that the syndicate that intended to build a steel mill in Saskatoon finally decided to establish itself in Regina. It certainly looks suspicious to us up there that the Government and its Industrial Development Bureau had something to do with the decision of this company to locate in Regina. Naturally all the Ministers live in Regina, and I wouldn't be surprised that some of them are perhaps financially interested in the deal.

**Premier Douglas:** – Mr. Speaker, on a question of privilege. The member has just made the statement that he suspects that some of the members of the Government have a financial interest in the Dominion Iron & Bridge Company, which is putting in a steel fabricating plant in Regina. I want to deny that categorically. As a matter of fact, the Government's submission to the company was to locate in Saskatoon. The company's

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first report was favourable to Saskatoon. Its second report was to locate in Regina; and that decision was made by the company, and is in a letter from the president to that effect. To make any statement such as the one which has just been made . . .

**Mr. Korchinski:** – Mr. Speaker, as usual the Premier goes and takes my radio time. I just have 15 minutes of radio time, and what he has said is a bunch of silliness and I have to withdraw what he has said.

**Premier Douglas:** – Mr. Speaker, the hon. member must accept my statement that no member of the Government has any financial interest whatsoever in this company.

**Mr. Korchinski:** – I accept the statement, Mr. Premier, and I would like to continue with my talk. I think that the Premier should not interfere with our speeches.

**Premier Douglas:** – Well then, you shouldn't lie.

**Mr. Speaker:** – Would the hon. member accept the statement and continue with his remarks on the budget!

**Mr. Korchinski:** – What I wanted to say about this industrial development and location of industry in Regina – it seems absolutely unnatural that industry should locate in Regina and it would have been much more sensible for the steel mill to be located in Saskatoon because there is a large river there and the 'Hub City' of Saskatchewan would be a natural place for that industry to serve this particular area. We are vitally interested in the fact that our small farmers in the north were looking forward to having part-time employment in industry, and if there is anything that is going to destroy the family farm it is this one fact. You have large farms in the south here, but in the north we were hoping that it would be possible for us to have our farmers employed in industry; and yet the industry is located here in Regina.

I would also like to say that it is about time that University fees should be abolished. It is now almost impossible for children of poorer parents to attend University, and a lot of this natural ability is being lost.

Of the many problems that face the people of Saskatchewan, today, I think the main problem that should be taken under consideration is to get rid of the C.C.F. Government; it is time for a change. There is a feeling out in the country that a change is coming and that the C.C.F. will not be re-elected in the next provincial election. The people of Saskatchewan should carefully examine the alternatives. I do not think that the Conservatives will make much headway in spite of all the noise they are making at the present time. In spite of the great number of Conservatives sent to Ottawa, the farmers now find it necessary to send hundreds of farmers with a petition to the Federal Government. In the 'thirties, Bennett left us the 'Bennett Buggy'; in the 'sixties I don't know what 'John' is going to leave us, but I think we are going to be left without any kind of a buggy. I think the

people should take all this carefully into consideration when they are thinking of changing the government. There is no question about it – there is going to be a change. I am sure that our group, under the leadership of Mr. McDonald, with people like Alex Cameron, Mrs. Batten and others, would provide a very sensible government for this province. I think it would be a much better government than we have today.

I have to stop because my time is just about up, and I think that it isn't very fair that we should be limited to such a short time; and yet I don't want to intrude upon the time of my colleagues on this side. I wish to criticize the Premier for always disturbing us while we are speaking, in spite of what claims he has; and, therefore, Mr. Speaker, I am going to stop now, and I may say that I am not going to support the budget.

**Mr. L. P. Coderre (Gravelbourg):** – In the time allotted on the air I can deal with just a very few important items in the budget. First, I would like to thank the Government for having added on to my constituency some 12 townships to the west end of it, and particularly the people in the areas of Dunelm, Player, Blumenhof and Lac Pelletier. I welcome them into the constituency, and I would like to assure them publicly that I will serve them to the very best of my ability.

I would like to bring to light some of the failings of the Government, Mr. Speaker. You know there is a sad state of affairs in the Province of Saskatchewan today which I believe is affecting our labour, our business and our prime producers, the farmers. I wonder whether the Government realizes the grave responsibility of its mandate in the face of present unemployment. This Government, in presenting its budget, shows that it is not convinced that it is obliged to protect the right of work of its citizens, not in the sense of furnishing employment, but it must take care to lessen the rise of unemployment, at least to ease its consequences, by exerting influences on the economic and professional organizations for the good of the economy of the province. However, it must take care to respect, and not to restrict by its millions of regulations, the growth of any organizations of the province.

This Government, as a servant of the people (as it should be), has not done everything possible to prevent or to delay this human suffering. The Legislature fully recognizes that this unemployment is a cause of human suffering. Let us avoid any unkind and any unjust judgments about them, and let all do their utmost to assist those who are deprived of a means of living. It is shameful that this Government has so sadly neglected this very important phase in our provincial economy. They have failed again in that they are prepared to assist the 'fast-buck artists', as the Premier often calls them.

**Mr. Loftson (Saltcoats):** – Big business!

**Mr. Coderre:** – Speaking in Moose Jaw on February 23rd, this year, at a C.C.F. forum, the Premier said, and I quote:

“The C.C.F. advocates that there should be a capital gains tax to take care of profits made on the stock market and real estate.”

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There is a noble statement made by the Premier! This is what he said; but what does he do? Or what has he allowed to be done by his Government? He allows a group of promoters to come into the province and to give themselves 130,000 shares at 60 cents a share, at a cost, roughly, of \$78,000. The value of these shares on the market is supposed to be \$6, according to the press reports, giving the profits to these fast-buck artists (as he calls them), whom he constantly condemns – giving them \$3/4 million of somebody's money, and it must be the people of Saskatchewan. He goes on to say, at that meeting:

“The C.C.F. Party advocated a National Investment Board so that instead of money being used for speculation there would be a direction of so much for municipal bonds, school bonds and other types of bonds.”

Is that what the Government is doing? According to the press, there is \$10 million available for some fast-buck artists, promoters, while our municipalities, our schools, are left holding the bag.

The Premier went on to say:

“The farmers and workers were most affected by the cost-price squeeze and the major benefits of inflation go to the capitalists.”

Which capitalists?

“... whose profits have grown with the inflationary rise of money.”

Now again, Mr. Speaker, I agree with the Premier. But what does he do? He always makes that about-face; takes two razors, you know, and assists the fast-buck artists to make their millions. The Premier and his Government seem to have a ‘holier-than-thou’ attitude – do what I say but don't do what I do. Sometimes it reminds me of one of the little fables I heard when I was in school – Fox and the Grapes: “If I can't have 'em; neither can you.”

Mention has been made of the cost-price squeeze and the rising costs. One of the branches of the Government, I believe, which has been most responsible for the rising costs is the Saskatchewan Power Corporation. Not a week goes by when we do not see some political propaganda emanating over the radio, the TV, billboards, in fact every conceivable place you can think of. For what? I compare the Power Corporation to a reckless young man who has got behind the wheel of a big car. He steps on the gas and he goes faster and faster and faster, not realizing some of the dangers that are ahead; all at once a curve comes along, and that's it!

Those are exactly the actions of the Government in the power expansion program. They have gone on putting power lines across the province which have certainly created the impression that there has been tremendous expansion in power. This expansion, when they talk about it on the air and radio, does look very good. It indicates to the eye that there is progress.

It has been said that the consumption of electricity has increased five times while the production has increased three times.

This over-exuberant type of expansion, I believe, may have its drawbacks. I don't believe that the farm population appreciated, under the conditions on which they have been operating, where the consumption has increased so much that their voltage has dropped in all areas of the province. I have measured in my home town, quite often, voltages as low as 86 volts. Anyone can well imagine the tremendous damage to electrical equipment. There is one point about this low voltage, Mr. Speaker, that I can assure you I have had the occasion to find out about. I have spoken to many electricians and repair men all over the province in regard to this very matter, and it has been checked here and there, and the voltages have been as low as 84 volts to a high or a peak of 128 volts.

There is no electrical appliance, especially in the line of motors or probably television sets, that can stand this great variation without causing some trouble. I believe that this over-exuberant expansion, this famous planning of the Socialists, has failed miserably in that the consumption has increased so much that the production cannot meet that consumption and, consequently, we have low voltages. It is certainly an indication that there is something wrong with this social planning or democratic Socialism, as the member for Redberry (Mr. Korchinski) mentioned.

Of course I see that the inter-connecting link with Brandon may help to alleviate some of the problems, and I can well understand the Socialist planning in that they were not able or capable of anticipating normal expansion when they overstepped their production, and this overstepping of production has certainly been a tremendous burden and has added to the cost-price squeeze.

I know that the Time question has often been dealt with, but I wonder, Mr. Speaker, what the motive of the Government was in bringing the Time question on to the floor of the House in past years, because it mentions here that power units, when they are linked, will bring a certain advantage because of the different time zones in each province. There seems to be a motive behind the legislation to assist the Power Corporation that is in somewhat of a difficulty. That seems to be the reason, as is stated in this report in regard to the connection.

I asked a question in the House, last year, Mr. Speaker, as to what was the cost of power delivered to the farmer's yard, and the answer I got was 2.64 cents per kilowatt. There was a note after that interpreting the figure, and they mentioned it included the high cost of voltage transmission and distribution in the case of retail sales and everything else. Now, having taken the Power Corporation's figures that they gave me in regard to the cost of production, I made up a consumption scale to compare what actually had happened. I assumed that the average consumption of power would be roughly 180 kilowatts. On that basis I took the regular block of rate and the demand charges and everything else, and it amounted to \$9.38 per month for one consumer. In a period of 12 months the amount would be \$112.56. Now it is common knowledge among many people that the life of a utility is about 20 years, so I took into consideration the life of the power utility.

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**Hon. Mr. Walker:** – Thirty years.

**Mr. Coderre:** – Thirty years?

**Hon. Mr. Brown:** – Forty.

**Mr. Coderre:** – Well, that makes it all the better. We will just take it on a 20-year basis. In 20 years' time, there is \$2251.20 that the farmer will have paid for his power. To produce and deliver that power, I did the same thing, Mr. Speaker, from the basis of the answer that I got from the Government, and I found that the actual cost of producing that, which includes the cost of distribution lines, transmission and all the necessary paraphernalia that goes with it, the cost was \$1,140, which shows that there is an over-all profit of almost \$1,100 in a period of 20 years. Now there have been complaints – oh, the members opposite laugh, Mr. Speaker. One of the reasons they probably laugh would be this –

**Mr. Lopton:** – They don't understand.

**Mr. Coderre:** – Now they are trying to buy the National Light & Power, and I believe it will be a sorry day for the people of Saskatchewan if they ever get to be one great big power monopoly under a Socialistic Government.

**Hon. Mr. Brown:** – Now we have the Liberal view.

**Mr. Coderre:** – With no privately-owned corporation like the National Light & Power in Moose Jaw to show up the inefficiency in the Government monopoly, it would be a very bad situation. It is the dream of the Socialist Government to completely eradicate private ownership, so that there can be no yardstick to make a measurement where it only shows how incompetent and inefficient Socialism is in action.

**Hon. Mr. Nollet:** – He has a short circuit.

**Mr. Coderre:** – There is another little point, Mr. Speaker, that I would like to bring out to show where the cost-price squeeze has been put on over the years by the Government. They have asked the farmers of the province to put up \$500 (\$560 in my area) to have the power in their yards. I went to work – it took me quite a while; but I took this \$560 at 4 per cent and it amounted, at the end of 20 years, to \$1226.96 that the poor farmer has to pay for his power pole. That, Mr. Speaker, together with the actions of the Corporation in having over-expansion and causing damages to equipment, and taking the \$560 off the farmer on which they can earn themselves 4½ per cent, the additional profits they are making certainly go a long way towards being the straw that will break the farmer's back.

In conclusion, Mr. Speaker, I would like to add this. The C.C.F. Government has hatched some scrawny economic chickens which will cause trouble when they come home to roost. This is the way with every radical administration. They sacrifice the future to the immediate needs of the day. Your children and my children, Mr. Speaker, will long bear the burden now being



laid down by their current reckless policies.

It is quite obvious, Mr. Speaker, with the few words I have had the opportunity of saying that I cannot support the budget.

**Mr. F. E. Foley (Turtleford):** – Mr. Speaker, on rising in the budget debate this afternoon, I would first of all like to extend my congratulations to all those previous speakers who have taken part in this debate. I would especially like to congratulate the hon. member for Maple Creek (Mr. Cameron), our financial critic in the Opposition, for his extremely valuable contribution to this debate. I believe he did bring forward some of the major financial problems in the Province of Saskatchewan and that he has successfully pointed out to the hon. Provincial Treasurer, members of the Government and to the people throughout the province, not only the many problems which we have facing us but also the many shortcomings which this Government has created in this province during 14 years under a C.C.F. regime.

In glancing over the budget (and I want to assure the Provincial Treasurer that I did read it all) there were a number of points which were of a special interest to me, representing a northern constituency, a large rural area, as I do.

One of the things that caught my eye, first of all, was the fact that expenditures for northern roads have been decreased by some \$740,000. I realize that this is not a large amount in terms of the revenue of the province, but nevertheless it is a trend that if continued would certainly meet with a great deal of disfavour in the northern part of the province. We in the north are very dependent on the development of northern roads and northern access roads, and I regret that the Provincial Treasurer has seen fit to bring about this reduction.

While I am on the subject of northern roads, we in northwestern Saskatchewan have been greatly interested for a number of years in a provincial park. It is nearly two years now since the hon. Minister of the Tourist Branch (Hon. Mr. Brown) committed himself to the establishment of such a park in the Waterhen Lakes area, and I sincerely hope every effort will be made to formally establish this as a provincial park in the near future. Of course, one of the problems in establishing a park in this area is a suitable highway. We have No. 4 Highway blacktopped as far as the 13-mile junction north of North Battleford, oil surfaces as far as the community of Cochin, which of course, is also a summer resort; but we still have a considerable length of road gravel-surface which would certainly have to be improved if the park were to be a tourist success. I want to urge members of the Government to give early consideration to the further oiling and blacktopping of this important highway – an outlet to most of the important tourist areas in northwestern Saskatchewan. It is my hope that, before this Session closes, we will have a definite announcement from the Government concerning the establishment of this provincial park which would mean a great deal to the residents of northern Saskatchewan.

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In perusing the budget further, I was very interested in the statement the hon. Provincial Treasurer made concerning the reorganization of the Fish Marketing Service and the Government Trading Service as a co-operative venture, particularly in view of the following remark; and I quote from his Address:

“This co-operative approach is the only one, we think, which will develop the kind of dynamic self-determination we all hope for.”

Now, Mr. Speaker, what more could we in the Opposition ask for as a denunciation of the manner in which many of the Crown Corporations in this province have been handled than the words of the Provincial Treasurer himself. What more could we ask, when he said it is the only way. It was interesting to note, also, that he is not alone on the Government side in this opinion. We have the hon. member for Cumberland (Mr. Berezowsky) at a meeting here in Regina, reported in the ‘Leader-Post’ on March 2nd, saying:

The Saskatchewan Timber Board has made many mistakes in its initial stages, but has now improved its operations considerably . . . “

He is obviously leaving the implication that it has a long way to go yet.

**Mr. McFarlane:** – They will be turning that one over.

**Mr. Foley:** – I deem it fortunate that I have the opportunity, this afternoon, of saying a few words during ‘Education Week’, and of course, I am especially interested in what the budget provides for education. It is interesting to note that the share this Government has paid to education over the years has been increasing, for which we are all thankful. I note that this year the Government will pay 39 per cent of the total operating cost of education in the province of Saskatchewan. Now, again I would like to quote a statement from the hon. Provincial Treasurer in his budget address, when he said:

“Parents of this province know that their children may now proceed from high school into almost any profession they choose – from plumbing to arts, to medicine, largely at the expense of the Province.”

It seems to me that 39 per cent of the operating cost of education can hardly be called “largely at the expense of the Province.” I feel that taxpayers in general over Saskatchewan are still paying more than their rightful share of the cost of education, and it is certainly my hope (and I know the hope is shared by many) that the time will soon come when a Government of this province will be able to pay much more of the cost of education.

Since this is Education Week, I think for a moment I would like to mention one aspect of education which has occurred to me many times in this Chamber. It has always given me a great deal of pleasure to see the great numbers of young people from many parts of the province who have found it possible to visit the Legislature and to see it in action. I believe this

is a fundamental part of their education, and my regret is that more young people throughout the province have not the same opportunity. I am sure those members in the northern part of the province will agree with me when I say that it is extremely difficult to arrange tours of this nature when we are 400 or 500 miles away from the seat of government, from the Legislature. I know that the students of Mr. Korchinski in the Redberry constituency, the students in the Turtleford constituency and certainly those of other northern constituencies must be very much interested in the proceedings of our Legislature.

Mr. Speaker, would it be possible that something could be done to equalize the expenses of students coming in to the Legislature from across the province? Would it be possible that some type of special grant might be made available to our school authorities to assist those groups who wish to come in, to encourage the students in the northern parts of our province to come down and see the Legislature in action? I respectfully suggest that something might be done in this direction which could make a real contribution to the education of our young people.

I think I would be remiss, in this our Education Week, in not paying tribute to the teachers a great deal, and made a great contribution, to education. We are often inclined here, I think, to talk of education in terms of dollars and cents and grants and so on; but nevertheless, I think we must not overlook the human element in education. Certainly we owe a great deal to the dedicated teachers throughout the province who, in spite of many difficulties, problems of centralization, difficulties in keeping enrolments at a desirable level have given excellent service.

Mr. Speaker, in the few moments left to me I have two specific topics to deal with. First of all, I would like to mention a petition which I have from a small rural community in the north section of the Turtleford seat, the little community of Horse Head. I have here a petition signed by 32 rural taxpayers in that area, requesting that, in view of the fact that they are eight miles from the nearest telephone; in view of the fact that they are often isolated by road conditions, "they do hereby petition for a pay telephone."

I am glad to notice that other members on both sides of the House are aware of this problem of telephone communications, and I respectfully suggest to the Government that if they cannot see fit to give direct financial assistance to the establishment of rural telephone service, then certainly the least that can be done is to make some provision for rural pay 'phones in these isolated areas until such time as direct grants for the establishment of telephones can be given.

The matter of Time is, of course, of great interest in the northwestern part of the province and the area I represent. I have a petition here, Mr. Speaker, that I want to bring to the attention of the Government, signed by some 350 rural ratepayers in the communities of St. Walburg, Turtleford, Frenchman Butte, Paradise Hill, Bolney, Cleeves and in many rural areas, where they say as follows:

“Whereas the adoption of Central Standard Time in this portion of the province has resulted in many additional inconveniences and hardships to the farming community; of particular inconvenience to young children being conveyed to central schools. Whereas the dating of the time now established does not correspond with other time changes in other parts of Canada;

“Be it resolved that Central Standard Time be entirely abolished in the western part of the province and that Mountain Time be reverted to on a year-around basis.”

It is my duty to state the feelings of the people in that area of the province.

I will not belabour the question. The Time problem has been before us for a number of years. Seemingly the solution becomes more and more difficult, but I see little use in this Legislature drawing up and passing legislation which is not going to govern the actions of the people of the province. I believe it is a dangerous precedent, and I would respectfully suggest that we refrain from dealing with such types of legislation in the future, unless we are prepared to have them govern the actions of the people of the province. I sincerely hope that a satisfactory solution to the Time problem will be reached soon because, I believe, as I am sure all hon. members believe, that the closer we can come to agreement, the easier it will be for all concerned.

In closing, Mr. Speaker, I would like to say that because this budget has seen fit to reduce grants for northern roads; because this budget has not, in my opinion, been entirely realistic to the needs of the farming population of this country; because this budget has not taken into consideration the great inequality of rural and urban taxation which exists throughout the province, and because this budget, in my opinion, does not do anything to alleviate the over-all burden of taxation which I feel is stifling the economy of this province, I will not support the budget.

**Mr. Isaak Elias (Rosthern):** – Mr. Speaker, there were times while listening to the debate that I was almost convinced that we were in Utopia. It was only yesterday when the Minister of Public Works laboured so hard to paint a truly bright picture of the Crown Corporations; the Saskatchewan Government Insurance Office and the Automobile Insurance Plan. He was followed by the Minister of Public Health (Hon. Mr. Erb), who dealt with the Hospitalization Services Plan. Somehow I was reminded of a very successful salesman who used to come to the farm when I was a boy, who had painted a sign on his truck which read: “My goods speak for themselves.” Now there have been times when, especially yesterday, just before the debate was adjourned, that instead of being in Utopia we were almost led to believe that we were in pandemonium itself.

Now, I wish to congratulate all those who have taken part in this debate, knowing that each said what he thought best and I hope that the outcome will be for the benefit of all of the people in Saskatchewan. I do not agree with this Government in principle because I know of governments whose

ideologies have proven to be of even greater benefit to their citizens without subjecting them to the tentacles of socialism.

**Mr. Loftson (Saltcoats):** – You wouldn't suggest that this Government's policies are of benefit to anyone, would you?

**Mr. Elias:** – In my few remarks I want to give credit where credit is due, hoping that my criticisms on the other hand will be received in the right spirit.

To begin with, Mr. Speaker, I would like to make a few observations about the physical makeup of the budget. Although there are many disappointments in it, the Provincial Treasurer might condescend to take my humble compliments on a few matters. First, I would like to compliment him on his energetic presentation of the budget. It appeared that even some of his colleagues were almost persuaded that all was well. The space devoted to comparative statements, charts and graphs is certainly a great improvement. In 1957, four pages were devoted to this type of analysis; last year we only had three. This year I notice we have 22; in fact, half the book is devoted to that and I appreciate that very much indeed. The same trend, I notice, is apparent in the Public Accounts, which I also believe is worthy of notice.

Mr. Speaker, the Provincial Treasurer is not a hopeless pupil, because after three years of dwelling on the wisdom of expressing development and progress in terms of per cent, he, too, is adopting that method. I notice in two paragraphs alone, on Page 4, he did it five times.

Just in passing though, I wonder how he would explain these two statements, which seem very contradictory to me. On Pages 4 and 5, he said:

“Non-farm sources contributed almost two-thirds of the total – striking evidence of the long strides we have taken in our march toward a more diversified, balanced, economic base.”

On the other side of the page he says:

“On the other hand a short crop in 1959 would be directly reflected in a sharp reduction of both cash and net income, with resultant repercussions throughout the whole provincial economy.”

Now, in one hand the sources from non-farm activity have helped to build a balanced economic base, and in the next minute he says the reduction of farm income would result in repercussions throughout the whole economy. It is somewhat contradictory, I think.

With reference to Crown Corporations, Mr. Speaker, I notice the Provincial Treasurer is very proficient in painting the picture to his needs. The Corporations employ 5,500 men, but if private enterprise had been given a free hand to render those same services, just as many or more would have been employed. The total salary bill of \$21 million is not something that we have had just because of these Crown Corporations – private enterprise would certainly have matched it. The same applies to grants in lieu of taxes. So the employment people have had, the wages earned, and the grants received are

not benefits that would have been lost to Saskatchewan had we not had the Crown Corporations. Let's not fool ourselves – and the Attorney General agrees with me, because he lists these very same benefits received as a result of the operation of a private enterprise; namely, the cement factory.

There is some increase in this year's budget over last year's. Where is this increased revenue going to come from? Well, Mr. Speaker, I was disappointed to find that this increase would be shared almost equally between the taxpayers and the development of our natural resources.

After hearing such glowing accounts of diversification of our economy the Provincial Treasurer, in his adept manner, chimes in with phrases like “the truly remarkable expansion that has occurred in those sectors”; “that booming Saskatchewan economy”; “the outlook is distinctly favourable.” Then, he finally ends up with, “the rounding out of an empire.” Yet, Mr. Speaker, the Provincial Treasurer is, in reality, not very optimistic about the actual increase that he hopes to get from those newly developed sources. He says that recurring revenues from mineral and other natural resources are expected to rise from \$17.4 million to \$19.3 million. Of these, petroleum and natural gas revenues are set at \$12.8 million, other mineral revenues at \$4.0 million, and revenue from the balance of our natural resources at \$2.5 million. So the expected increase in revenue from our natural resources, even after this supposedly remarkable development, are not much greater than the increase in revenue the Treasurer expects to get from the people in the form of taxation.

Now, a few words about the debt of the province. The net debt is shown to be down to a little over \$26 million, or \$30 per capita. The gross debt, however, has reached an all time high, which figures out to \$390 per capita. The contingent liabilities have risen sharply and are not included in the net debt, but in view of the new policy this Government has embarked upon, namely, guaranteeing debentures to aid private industries getting established, these amounts could and maybe should be included in the net debt figure. The member for Melville (Mr. Gardiner) referred to the gross debt in speaking on this debate and I don't intend to belabour that point except to point out that other investment analysts do not agree with our Provincial Treasurer in his method of showing the net debt structure of the province. ‘The Financial Post’ of February 28th shows the per capita net debt as \$81.05 compared to the Provincial Treasurer's \$30. The ‘Post’, in commenting on the B.C. debt structure based on data from the Canadian Government and the municipal financial statistics by Wood, Gundy and Company, adds contingent liabilities and other government guarantees to the public debt. By applying the same method to Saskatchewan our debt per capita, therefore, is \$81.05 instead of \$30. This is what other financial critics have to say on this point. I am quoting from the ‘Financial Post’, February 28th: “No true analyst would look at the direct government debt alone”, commented an insurance officer, “but at the contingent and over-all debt as well.” An insurance company treasurer said: “This doesn't fool anybody.” Here is another one, an investment dealer: “It adds to the general confusion.” And so we are not alone when we say that maybe the debt picture isn't quite as the Treasurer has painted it.

**Hon. Mr. Fines:** – Could you tell us what British Columbia's debt is under this?

**Mr. Elias:** – Yes, I said they were referring to British Columbia's debt.

According to this it is \$293.90.

**Hon. Mr. Fines:** – And Saskatchewan's is \$80?

**Mr. Elias:** – Yes, ours is \$81.05. Now certainly, Mr. Speaker, at this point, I must say, though, that I am happy that more and more room is being allowed to private enterprise and that the Government, when declaring its principles doesn't punctuate its statements with furious determination of the past to eradicate capitalism. With this apparent change of heart and moderation of attitudes to private enterprise – it might help to give the people of Saskatchewan new hope and new confidence.

Mr. Speaker, every year I have taken time to portray to this House the need of the construction and hard surfacing of No. 11 Highway through the Rosthern constituency. This year my people themselves spoke by circulating a petition which received most hearty support. I have a note here from the Minister acknowledging receipt of this petition with 1,536 signatures on it. It requested that immediate work on this highway should be done. This stretch of highway was originally built 37 years ago and the last re-grading that was done on it was 29 years ago. This route is the shortest route between Saskatoon and Prince Albert; this is the logical route which tourists would take to go north to Waskesiu. It is the only highway that leads to Rosthern's Union Hospital, one of the finest in the province. I have spoken to the Minister of Highways (Hon. Mr. J. T. Douglas), urging him to consider this request, and he has promised to give it careful consideration. Certainly, it is my hope that the announcement that he will make regarding this stretch of highway will be good news in the Rosthern constituency.

There is a little matter I would like to bring up at this time, which was drawn to my attention just a little while ago, which could be easily corrected. A person leaving Manitoba and coming to Saskatchewan to live, say on March 1st, at once has an unhappy experience in connection with his car licence. His Manitoba licence expires on February 28th, and Saskatchewan licences go on sale only March 16th. If he wants to use his car during these two weeks he can only do one of two things, both of which are not fair and leave a sour taste right from the beginning. He can either buy an interim licence at half price and after six months pay full price to finish off the year, or he may, during this two-week gap, get a driving permit every time he wants to make a trip, at \$3.00 each. This permit, I understand, is not good for a round trip, so he has to get a permit to go say to Saskatoon from Regina and another one to get back to Regina. Certainly, I think, provisions could be made to accommodate newcomers to our province with a warmer welcome than that.

Now, I would like to join with others who have expressed joy at the increased vote for education. The Minister of Education (Hon. Mr. Lloyd) finally admitted that we on this side of the House have been right in the past in criticizing the Government for not spending enough on education. He said: "The second reason why there has been considerable increase in cost is that educational services in the province had been under-financed for so long."

**Hon. Mr. Lloyd:** – Would you mind stating about what period I was talking?

**Mr. Elias:** – You didn't say.

**Hon. Mr. Lloyd:** – Yes, I did.

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**Mr. Elias:** – Certainly it is a noble investment, and I, for one, would have been even more delighted to see the vote increased another \$10 million, and I would suggest that part of this proposed increase could be easily had by cutting in half the advertising done by each department and the Crown Corporations. The people of Saskatchewan would not miss your advertising and public money would then be used for the betterment of mankind.

In regard to the program of education pertaining to the proper use and misuse of alcohol, I must say I am very disappointed indeed. In this matter, I personally do not see that the answer to moderation can be found in legislation, but solely in the education and training of our young people. The old familiar saying, “an ounce of prevention is worth a pound of cure” is as applicable here as “covering the well before the child has fallen in.”

I was not only amazed, but certainly deeply disturbed, when I learned how little time and space is devoted in our present curriculum to the teaching of the effects of alcohol.

I have here two authorized text books used in our schools today. One is called: “You’re Growing Up”, and the other one, “Health for You.” These are the two authorized text books. “You’re Growing Up” is for Grade VII and VIII; it has 320 pages in it and all told only two pages are devoted to the study of alcohol and tobacco. The other one, “Health For You” is for Grade X and IX. This is a 575 page book and of these pages only nine are devoted to the study of alcohol and tobacco. In Grade IX and X . . .

**Hon. Mr. Lloyd:** – On a point of privilege, Mr. Speaker, I know the hon. member doesn’t want to mislead or be misled, but there is another book, the entire contents of which deal with temperance of education . . .

**Mr. Elias:** – I am coming to that.

In Grades XI and XII there is no provision at all in the curriculum today to teach the use and misuse of alcohol. I spoke to Mr. Henry Jansen, the Director of Curriculum, in this province, and I asked him to give me a statement of this. I will read this statement just as he gave it to me.

“In the program of studies for Grades XI and XII there is no narration to the teachers to give any instruction in the use and misuse of alcohol.”

That was the statement signed by Mr. Jansen.

Now, I know that there is a book – this one – and I think that this is the one the Minister was referring to. This is a manual of alcoholic studies for schools. This is a new book and I understand that one has been sent to every school or maybe every teacher but I had never heard of it before, and I don’t think that it is being used a great deal yet. I am very happy, however, to know that a committee has been set up to further studies. I was happy to learn from Mr. Jansen, Director of Curriculum, that an educational



committee has now been set up to outline a new program to better cope with the needs in this field of education. This is a long range program and I hope that the Minister of Education will give his whole-hearted encouragement to speed up this work. I also hope that the Bureau of Alcoholics, under Mr. Calder, which is already functioning, will be expanded. Increased grants to this bureau are also very commendable.

A bold educational program is needed not only in Saskatchewan, but all over the world, a program that will start in the home and church, supported by an active school program. The present school program should certainly be enlarged, encouraging teachers to take training which will equip them to use effective approaches. A vigorous public program using all publicity media should be inaugurated. Literature, pictures, posters and so on should be put into the hands of parents, Sunday School teachers, young people's organizations, church organizations and so on, so that the enlightenment on the use and misuse of alcohol will be a continuing experience in a person's life.

Advertising in magazines, bill boards which tend to glamourize drinking should be discouraged, as well as T.V. programs that show drinking as a commendable social behaviour. I counted 21 advertisements by breweries in one single issue of Maclean's Magazine, and a number of these were full page colourful ads. I was really astounded to read in the Brewer's Digest that it had not yet found a satisfactory answer to the problem of introducing beer to a high percentage of the younger generation. An advertising program like this should be discouraged. All this is negative teaching, leading to confusion in the minds of young people and causing them to look upon human behaviour as an absurd paradox with positive educational influence on one hand, and negative influence on the other hand.

**Hon. Mr. Fines (Provincial Treasurer):** – How would you stop it?

**Mr. Elias:** – I would like to say a few words about municipal taxation, especially in regard to the distribution or allocation of this tax burden. To me there is a crying need for a thorough study of this matter because certainly it is an injustice to many under the present set-up.

Going back to 1944, and calculating the ratio of taxes collected on real property to the total levy and then compare it to the ratio in 1959 or 1958, I find that the ratio has changed very little, if any.

With the change that is taking place in the general activity of our citizens and the increase in the number of people earning a comfortable income who are not property owners to any degree, this allocation of the tax burden is certainly not fair or just. The only fair principle to follow in the allocation of the tax load should be on the basis of one's ability to pay. I would, Mr. Speaker, urge that the Government give serious consideration to this matter. This is an area where this Government certainly has failed to show initiative and leadership.

**Premier Douglas:** – What do you suggest?

**Mr. Elias:** – Mr. Speaker, I have thus far confined my remarks relative to the Budget. I would like to take some time now to deal with another matter. We have heard so much from Government members, how the economic problems of today can be solved by co-operative efforts, and social planning. As a Social Crediter, Mr. Speaker, I make no apologies whatsoever for taking some time to reply to these so-called ‘solutions’, and show how they could be solved without subjecting people to any program of socialized planning, and thereby losing some of our cherished freedoms.

I’m certainly convinced of the benefits of co-operatives, that they can be to society, but let us remember that they should be considered only as a helping hand, certainly not a solution in themselves, because they are operating only within the realm of a chronically existing economic shortage. The redistribution of a shortage cannot answer a problem, so we must go deeper and correct the flaws that are causing the economic problems.

The member for Yorkton, when speaking on February 23, referred to the dangers of automation. I would like to read some of his words. He said:

“I honestly believe there are some members opposite . . .”

**Mr. Speaker:** – Order! Is the hon. member quoting something from a previous debate?

**Mr. Elias:** – I cannot read his statement?

**Mr. Speaker:** – Not if you are quoting something the member for Yorkton said in another debate in this House, unless he made the statement in the budget debate.

**Mr. Elias:** – I’m sorry, Mr. Speaker, I was not aware of that, but . . .

**Premier Douglas:** – You can refer to it, but you cannot quote it.

**Mr. Elias:** – Yes. The hon. member for Yorkton said that big industry was investing so much money in their set-up, and thereby robbing the people of the right to work. Now that, in essence, was what the member said. He was expressing fear of automation. I’m afraid the hon. member has lost sight of the purpose of industry . . .

**Mr. Speaker:** – Order! Order! Can not the hon. gentleman deal with his subject without referring to the hon. member for Yorkton, who has no opportunity to reply in this debate.

**Mr. Elias:** – Certainly the purpose of industry is not to provide work for people, but rather to provide man with the needs of life. Automation is evidence of progress, and we should not fear it, but rather accept it as a challenge and a cultural heritage. It is a heritage because it is the product of accumulated ideas and improvement in the knowledge and techniques in the field of production. It has resulted in super production, which distinguishes this age from any that has gone before. This age has come, and let us welcome it in preparedness, in stream-lining our thinking, and method of distribution, so that the fruits of this heritage may be a

blessing to all.

The most important link in our economic cycle is the consumer, because he is the only one who can provide the needed incentive for increased production. Because every citizen is a consumer, his ability to make effective demands on the products of industry is the only solution. The time has come when we must readjust our thinking on this matter. The member, like all other Socialists, cannot conceive of an income dissociated from employment, and therefore advocates full employment instead of full enjoyment.

It is very interesting to know just how much progress science had made to pave the way for this era of full enjoyment. I would like to read a few excerpts: these are taken from 'Liberty' magazine, dated July 19, 1958. Here is one quotation:

"After \$13 million for the St. Lawrence Cement Plant, in Villeneuve, Quebec, most modern of its type in North America, the entire production from the first crushed material to the final packing in bags, and loading on trucks and trains, is handled by machines and conveyors".

Here is another one:

"The new C.I.L. polyethylene plant in Edmonton is almost completely automatic. It turns a full \$40,000 worth of plastics out, per worker per year".

Now the amount paid in wages in this plant can never buy back the production of that industry.

"At the MacKinnon industry in St. Catherines, Ontario, an automatic assembly line two blocks long manned by only 27 men, mills all the Chevrolet V-8 engine blocks produced in Canada, turning out 75 of them in an hour".

At \$50 an engine, the total value of these engines in eight hours' production would be \$30,000, but the wages of these 27 men in eight hours and say \$4 an hour would only be \$1,080.

Again we notice the wages paid in this factory can never buy the production of the factory. Here is one that I think would interest all members in the House; there may be two that would not be interested, but I beg your kind attention anyway; – the two lady members –

"(Paris): The ultimate in automation came last January in Paris, France when Pierre Marre announced

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he had built an ingenious machine to replace housewives. His push-button wife can wash 12 pounds of laundry in five minutes, clean a kitchen in 30 minutes, peel vegetables, scrape pots, floors, polish shoes and wash windows. It runs on two cents worth of electricity an hour, and that is a substantial saving in cost over the old-style housewife”.

Here is another one:

“Every month 2,500 Canadian Family Allowance cheques are calculated and mailed out by a marvellously automatic system. They would need 600 clerks to replace it”.

What is the result of all this? This is automation, isn’t it? The Canadian director of the United Auto Workers, George Burns, has warned (this is his statement):

“If this automation revolution comes too fast, or completely unplanned, the unemployment of the 1930’s will be a picnic compared to what can happen. It could ruin Canada’s \$887 million unemployment insurance fund, crush those small businesses and manufacturers beneath unbeatable competition”.

A direful warning, indeed, from a union spokesman in the industry that gave birth to automation. On the other hand, Burns optimistically believes that, handled properly, automation can be molded into a key to a Utopian area of abundance. He says he is not opposed to automation, “rather we favour it, as long as the fruits of automation are shared fairly with the worker”.

What is the answer to automation? We in Social Credit have always said that it is more important to balance production and consumption; it is more important to balance that, than to balance a budget, and we are not alone in that, Mr. Speaker. I would like to quote just two more quotes. Here – one by John. D. Patterson, who was the 1948 honours graduate of economics in Queen’s University. He writes in ‘Saturday Night’:

“Canadian business is being swindled for lack of money. The remedy is to put more money where it will be spent on goods in surplus supply. We need a totally new approach to this problem. The suggestion adds up to this – injecting new money into our supply, and putting it where it will be spent on consumer goods, rather than on capital goods”.

Here is another one. Prof. D. E. Ayres, for 18 years head of the Economics Department of Texas University, says:

“We have learned a lot since 1929. Obviously this is because we have seen a lot. So long as disturbances are kept within decent bounds, economists prefer taking a long-term view of upward and downward movement, and not worrying too much about incidental friction. But when the friction generates heat so intense that it threatens to blow the whole outfit galley west, most of us are inclined to stop, look and listen.

“There is indeed something very wrong with all of this. It fails to distribute mass consumer purchasing power in sufficient quantity to life the entire product of industry to be purchased. This failure exists at all times . . . What we require, and what we all require to make the industrial economy work is more mass consumer purchasing power sufficient to absorb the entire profits of industry, at whatever level of production we may be able to achieve.”

This much-needed purchasing power should be made available to consumers either in the form of a dividend, retail discount or other techniques, and should be received by the consumer not as a dole or hand-out, but as a rightful inheritance as a Canadian citizen.

If we are going to enjoy the two aspects of a real democracy, namely, the political and economic aspects to which the Premier made reference when he spoke on February 18th, and so aptly described as ‘democratic democracy’, this balancing of production and consumption would be the most stimulating shot-in-the-arm for all concerned. Then our efforts towards full employment would be replaced by the realization of full enjoyment.

Mr. Speaker, I will not support the budget.

**Mr. John Harrop (Athabaska):** – Mr. Speaker, first of all I want to say, and I am certain I can speak for everyone in the north, that the hon. members who visited our north county last summer were most welcome. I only hope that those members who were unable to visit us last year will have the opportunity to come another time. I also hope that those who did visit the north last year received something of educational value as well as pleasure.

On noting that the appropriation for northern road development has been cut by \$740,000, I began to wonder. I must say I was very disappointed to hear that, in order to balance the budget, the Government found it necessary to cut this amount off northern roads. It seems to me that if a project of this type was a good investment last year, it should be equally as important this year, if not more so.

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I am not one of those who will subscribe entirely to the belief that we should pay cash on the barrel-head for everything. For instance, if I were to leave my sons a growing business that had some liabilities against it, and so long as those liabilities were well within the capacity of that business to pay, I would consider that I had left them a legacy. In the same manner, I believe that the north country that is open for business is a legacy for future generations, even though it may be found necessary to set up some liabilities against it.

I had hoped those members who went north last summer would gain some knowledge of the conditions under which some of those people live. I do not want to infer here that a great deal of immediate benefit would come by the expenditures on these roads; but some small part of that money that is expended here is bound to rub off on a good many people in the area. When one considers the very low standard of living in the area and settlements, any increased income is of assistance. However, it is a long-time view that we, as members, should take, and if by constructing roads we are able to open the north for mining, for tourist resorts, to cut down the cost of transportation for those people, I think it is a good idea. Even if only one single mine were developed by those roads, the people of the north and the people of Saskatchewan would be amply rewarded for their investment.

I think I have tried to impress this Assembly before with the conditions of many of the residents in these settlements, and all during this Session I have heard a great deal of the cost-price squeeze. I would like you to consider the squeeze that is going on in many of these settlements. Most of the inhabitants there net less than \$1,500 per family. When you realize that, in addition to rising costs and a very substantial increase in transportation charges on both products shipped out and supplies brought in, you must realize the standard of living they have. To take away even a small amount of this income means a hardship for them which, I believe, most members have not given their full consideration.

I have also mentioned in this House before the overcrowding in settlements, and the resources from these areas are not sufficient to sustain people now located there. Something has to be done to relieve this situation, and whether we wish to put the money into development or social welfare is up to this Assembly to decide. Perhaps I am biased in this matter; but without knowing too much of the circumstances, it would seem to me that northern development would be much more important under long-range planning than some of the other items included in it. The construction and rebuilding of roads in this settlement are desirable. But there are various means of transportation already available to these people. The hope of getting road development in the north rose sharply last year, when \$3 million was voted for this purpose. Now these hopes have very largely deteriorated. When this appropriation is cut in a period of increased budgetary expenditure (which is up over \$3 million), I can see the handwriting on the wall. In coming years the South Saskatchewan River Dam project will take an increasing amount of money. The continued demands for aids to education, aids to municipalities, health and welfare programs – all of these, Mr. Speaker, will drain the resources of this province.

The action taken in this budget must be an indication to all the hon. members of coming events, so far as northern roads are concerned. I would ask the Government to take another look at this matter, in view of the announcement by the Minister of Mineral Resources (Hon. Mr. Brockelbank) here in the House last Friday. The rest of the budget I most heartily endorse. The increase in health and education grants, the increase in aid to municipalities, and the numerous other programs inaugurated, I am sure, will be welcomed by every resident of Saskatchewan. I think that outside of the reduction of northern road development, this budget can well be considered one of the best programs outlined of any province in Canada.

I would not wish members opposite to take heart at the remarks I have made of conditions in our north country. Anyone who is acquainted with conditions as they were 15 years ago, will acknowledge the tremendous improvement and progress that has been made. When you realize that these people live without means of communication, without government-sponsored schools or hospitals, without regular air service, without roads of any type, by being exploited in the disposal of their produce, and, on the other hand, being exploited for what they have to purchase, you can probably realize the appalling conditions under which they have had to exist.

The Fur Marketing Service, the Fish Marketing Service and the Government Trading Stores have made tremendous strides in alleviating these conditions. I am very pleased to hear that the Fish Marketing Service and the Government Trading Stores will eventually be turned over to the people to be operated as co-operatives. I believe this policy will tend to assist these people to become more independent of government assistance, and will also allow them to eventually have control of their own affairs.

There are a few remarks here that I would like to direct to the Minister in charge of the Saskatchewan Power Corporation. I would like to suggest that he take a look at the power situation in Uranium City. I have heard a great deal of the controversy between efficiency of private power companies and publicly-owned corporations. We in Uranium City would be more than pleased to exchange the service given by our private company for that of the Saskatchewan Power Corporation. Our rates in Uranium City start off at 30 cents for the first 10 kilowatts. The next 15 are 20 cents; the next 30 are 10 cents. This gives us a total of 60 kilowatt hours for \$9, or approximately \$9 for two kilowatt hours per day. I would like some of the other members to take a look at their own bills, and compare this with that of the Saskatchewan Power Corporation.

**Mr. Gardiner** – We don't get as much as you do . . .

**Mr. Harrop:** – Considering the company is purchasing the bulk of its power from a Crown Corporation, namely Eldorado Mining & Refining Ltd., for approximately three cents per kilowatt, you can realize, or you can see, why we in Uranium City are not too happy with our private company.

I would like to say, Mr. Speaker, that the majority of workers in the mines in the Beaverlodge area are serviced by the International Union of Mining, Mill and Smelting Workers. This union has always had amiable

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relations with the mining company, and included in this group of mines is the Federal Crown corporation, Eldorado Mining and Refining. I am sure that workers belonging to this union will be interested in the attitude of Opposition members towards them.

Just to touch on the Treaty Indian situation, I would like to go along with my hon. friend from Cumberland (Mr. Berezowsky) in his plea for equal rights for the Treaty Indian.

Mr. Speaker, other members have gone into the various aspects of the budget quite fully, and there is no need for me to dwell on that. I think that, on the whole, it is an excellent budget; and because it is good in every other respect except that part with which I have dealt, and because it has so many points in its favour as against one poor one, in my opinion, I will support it.

**Hon. J. T. Douglas (Minister of Highways):** – Mr. Speaker, in rising to take part in the debate, this afternoon, I again want to compliment our Provincial Treasurer. He has shown quite clearly that he has not lost the art of delivering a well-balanced and a very intelligent and constructive budget.

I have been interested, this afternoon, in some of the remarks that have been made. Certainly I was interested in some of the remarks made by the member for Redberry (Mr. Korchinski), and I was very glad to have him ask someone to say a word or two about the organization of the C.C.F. I am very glad to do that. I noticed the other day the member for Melville (Mr. Gardiner) also asked the same question. Well, I am going to tell them that the C.C.F. organization is the only political grass-roots organization in Saskatchewan.

**Mr. Cameron:** – Yet they want to throw it out the window!

**Hon. Mr. Douglas:** – The C.C.F. is a political organization in which the people themselves band together to elect people who will really represent them in this Legislature, or in the Federal House. Now, if they want to know something about a political machine, I am going to tell them about a political machine.

**Mr. McFarlane:** – You've had lots of experience.

**Hon. Mr. Douglas:** – Don't think I haven't had some experience! A few years ago there was a by-election in the constituency of Humboldt. I took part in that by-election, and the Federal Minister of Agriculture took part in that by-election. Our C.C.F. campaign office was across the street from the liquor store in the town of Humboldt, and we used to notice that every morning a number of cars would line up before the liquor store. I noticed that one of the cars was that owned by the chief organizer for the Liberal Party in the province.

**Hon. Mr. Brockelbank:** – They've got to grease the machines!



**Hon. Mr. Douglas:** – So we took down the number of these cars and had them sent to Regina, and found out whom they belonged to. Here are a few of them: License No. P20475 – Dominion Department of Agriculture, P.F.R.A., Regina; No. 20474, Dominion Department of Agriculture, P.F.R.A., Regina; No. 20456, Dominion Department of Agriculture, P.F.R.A., Regina. I might say that this is the car that drove the Federal Minister of Agriculture from meeting to meeting in the constituency. I can give you the various dates in which we saw them in front of the liquor store, if you want to know that.

**Mr. Cameron:** – So you know how much they bought?

**Hon. Mr. Douglas:** – No. 20444, Dominion Department of Agriculture, P.F.R.A., Regina; No. 20452, Dominion Department of Agriculture, P.F.R.A., Regina; No. 20458, Dominion Department of Agriculture, P.F.R.A., Regina; No. 20125, Dominion Department of Natural Resources, Regina; No. 21299, driven by municipal inspector from Regina; No. 3107, a Field Officer from the Department of Natural Resources, Regina; No. 20067, Arnold Duncan Laird, Civil Service – and I believe he lives in Humboldt; No. 20639, also a Regina Provincial Government car.

**Mr. Cameron:** – What year was that?

**Hon. Mr. Douglas:** – That was in 1943, in the by-election.

**Mr. Cameron:** – They didn't buy enough.

**Hon. Mr. Douglas:** – No. P104660, Department of Agriculture, Regina; No. 20482, Saskatchewan Government Drainage Inspector; No. 0299, Dominion Department of Agriculture, panel truck; No. C1168, Dominion Department of Agriculture truck, and another one, Provincial Government estate inspector, and a Farm Loan Board inspector . . .

**Hon. Mr. Walker:** – He must have been trucking the liquor out.

**Hon. Mr. Douglas:** – That's what I call a political machine!

**Mr. Cameron:** – What about the Power Corporation and the beer parlours?

**Hon. Mr. Douglas:** – I didn't say I saw them in the beer parlour. I said I saw the cars lined up in front of the liquor store. There's a great deal of difference in using paid political service for this kind of work than in using people who, of their own volition, agree to go out and take part in political campaigns for their own use.

**Hon. Mr. Walker:** – This was paid for by the taxpayers!

**Hon. Mr. Douglas:** – It was taxpayers' money that was paying those men. More than that, I followed some of those people in the country and I know they were canvassing from door to door in favour of Liberal candidates.

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That is something I have never done in the 14 years I have been in office; I have never used any of the civil servants in my Department to do political work, and never will.

**Mr. Cameron:** – They get leave of absence, though.

**Hon. Mr. Douglas:** – I noticed that the member for Redberry referred to industry coming to the city of Regina, and I know the people of Regina are going to be awfully glad to know the Liberal Party in this province is opposing industry coming to the city. He said he doesn't think the Conservative Party is making any headway in the province. I think possibly he's right, but I also notice . . .

**Mr. McDonald:** – Mr. Speaker, on a point of privilege. The Liberal Party is not opposed to industry coming to the city of Regina, and that is not what the hon. member for Redberry said.

**Hon. Mr. Douglas:** – It sure sounded like it.

**Mr. McDonald:** – The member for Redberry complained that industry was not coming to the city of Saskatoon, and I think the hon. member has every right to do that.

**Hon. Mr. Douglas:** – We'll not argue that point. But to come back to the other point I was making. He said that the Conservatives were making no headway in the province, and I think possibly he's right. But I also note that the president of the Liberal Association in Saskatoon, Mr. Manning, says this: "If a provincial election were called this year in Saskatchewan, his Party would not have much of a chance of gaining power".

**Mr. McDonald:** – Mr. Speaker, again on a point of privilege, again on the statement that has just been read by the Minister of Highways; he knows so well that the person concerned denied that statement the following day, and issued a corrected statement which I wish he would read in this House.

**Hon. Mr. Douglas:** – I would be very glad to. I have that statement here, Mr. Speaker, and while he does deny the fact they had a "disreputable" organization, he did not deny this particular statement which I have just read to you. I have the statement here.

**Mr. McDonald:** – Read it!

**Hon. Mr. Douglas:** – I'm not going to take the time to read all of this here.

**Mr. McDonald:** – You'll read a deliberate lie, but you won't read the truth!

**Mr. McDonald:** – Well, Ill give you it.

“An item in Saturday’s ‘Star-Phoenix’ and also new reports over local radio stations made reference to remarks I made at the Saskatoon Liberal Association meeting, Friday night. One sentence used in ‘The Star-Phoenix’ and elsewhere was misleading. I am supposed to have said that local Liberals must help to build a reputable organization” –

and that is the thing which he denied.

**Mr. McDonald:** – Read it all. Go ahead.

**Hon. Mr. Douglas:** – I’m not going to take the time to read this. I’m telling you that he did not deny this. So apparently the Liberal Party are in agreement . . .

**Mr. Cameron:** – You’re dead from the heels up!

**Hon. Mr. Douglas:** – I know that the member for Melville (Mr. Gardiner) was critical of the experts we employ in this Government, and he gave us some advice whereby we should fire these people. I have forgotten the term he used – I think he used the term “some practical people” to run our business. It reminded me of a remark made in this House a number of years ago by the Leader of the Opposition, when he was going to fire all the engineers in my Department, and I think, when you go back over the history of this province, that it is simply following Liberal practices. You know, when we took office in 1944 there were nine professional engineers in the Department of Highways, and only two of them were graduates of our University. When I heard the Leader of the Opposition telling the students from the University of Saskatchewan that this Government made no provision for hiring them (or something to that effect), I could not help but think that, in my Department, my Deputy Minister, the Chief Engineer, seven heads of Branches and about 85 or 90 per cent of the balance of the engineering staff are graduates of the University of Saskatchewan.

**Mr. McDonald:** – You didn’t hire them all, though.

**Hon. Mr. Douglas:** – While I am on that particular point I should tell you that our Department of Highways in Saskatchewan is recognized as one of the better equipped and organized departments of highways in the Dominion of Canada.

**Mr. McDonald:** – By whom?

**Hon. Mr. Douglas:** – I notice the member for Melville said it took 13 years for this province to catch up in industrial development. Well, that is just about the best compliment he could pay us, because we had no development to speak of in this province under a Liberal administration. Throughout the war years, when we had an industrial expansion going on all

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over Canada, not a single industry came to the province of Saskatchewan, although we had a Liberal administration in Saskatchewan, and a Liberal administration in Ottawa. Yet they have the nerve to stand up and say that this Government has not brought industry to Saskatchewan, when there is never a year, never a month, that some new industry is not starting up in this province, and very often because of the support which we are giving.

I notice they do quite a bit of criticizing of our educational program. I am not going to undertake to deal with that phase of their criticism, because the Minister of Education can do it much better than I can. But just the other day, I noticed a news item in our local paper from Rosetown, with a comment on the annual report of the larger unit in Rosetown, and I think it is worth taking a look at. It points out that, in 1950, there were 57 school districts in the Rosetown School Unit area, employing 97 teachers. The average salary was \$1,890, and they taught an average of 14.5 students. 26 of those schools had 10 or less pupils enrolled. By 1958 they have 202 teachers, but an average of 21 students per teacher. Those teachers receive an average salary of \$4,050. You will notice the salaries are up more than twice; but if they were hiring teachers on the old basis at 14.5 students per teacher, they would require 150 teachers, or 48 more than they have now. The difference in the cost would be \$194,000 to that unit. So you have the goods; because of the unit system of organization, \$94,000 in surplus which represents 4 mills on the taxes. Of course, in addition to that saving there would be the savings that they enjoy because of the lesser number of schoolrooms in use today. I mention that because to me it was very interesting information.

I also note, when they were talking about propaganda, that just the other day I noticed in 'The Leader-Post' an editorial which was marked 'Pure Mountain Water', and I thought, well, shades of 1949! Because I quite well remember a similar editorial which I criticized in this Legislature in 1950, and that editorial said that if Mr. McCusker was elected to the Federal House, the Liberal Party would be bringing pure mountain water to the city of Regina.

**Hon. Mr. Brown:** – With a cartoon!

**Hon. Mr. Douglas:** – Yes, and I have some of the advertising here that was used at that time, but I won't take up the time to show you – a half-page advertisement. I remember I surely got my fingers rapped by 'The Leader-Post', and some of the leading Liberals for the statements I made; but as I read this editorial, I wondered if they copied what I had said. Here's what they say:

“The city's proposal to expend \$80,000 in the hope of finding new sources of wells and water near Regina for the city's water system, remind citizens who were here in the late 'forties of promises that Buffalo Pound water system would ensure Regina of pure mountain water aplenty”.

Then they go on:

“But Buffalo Pound water is neither pure, nor is it mountain water. It is the run-off from the Buffalo Pound drainage station, which includes the effluent from the Moose Jaw sewage disposal system at high-water periods, plus water from the South Saskatchewan River.”

Then they go on to show, of course, the pollution that occurs to the water as it flows down the open ditch. Well, how times can change, Mr. Speaker! In 1949, this was the grandest thing that could happen, and it was the Liberal Party that brought the water down in the open ditch, and the Liberal Party that was damming the Buffalo Pound Lake so as to conserve the water that flows down Moose Jaw Creek. But today – it’s a different story, when you have another Government in Ottawa! But they are not fooling the people of Saskatchewan one little bit, because the people of Saskatchewan know today it is the same old group, whether it’s Liberal or Tories, and we have proof of it again, this afternoon. We have the Liberals criticizing the Crown Corporations. Of course, I notice my Social Credit friend over here also criticized the Crown Corporations.

We know where the Liberals stand on Crown Corporations, and I think we know now where the Conservatives stand on Crown Corporations. You may recall, I think it was last year I drew the attention of this House to some of the statements made by Mr. Hees, Minister of Transport, where he practically made the commitment that the C.P.A. would be given the right to compete with the T.C.A. in their Trans-Canada run, and I pointed out at that time that there was not sufficient business to carry two companies, and that that will mean one of two things: either higher rates or poor service. I pointed out that it was the handwriting on the wall, and we would see the day when the T.C.A. would be sabotaged by the Government which is sympathetic to big business. Now we know, of course, that the C.P.A. are being given a charter to run cross country in competition with T.C.A., in spite of the fact that the experts brought over to this country by the Federal Government, told them definitely that there was not sufficient business for two lines to operate at this time. There is no question – most of the political parties in this province, except the C.C.F. are opposed to the people of Canada owning and operating their own utilities.

Having said that, I would like to turn for a while to our own Department, and the work we have accomplished during the past year. As members know, we had a very good year last year. By and large over the province the weather was favourable, and we saw the completion of most of our projects. The exception to this was the Melfort district and in the La Ronge area, where early snow and continued wet weather made operations difficult, and had slowed up work very materially. But we did have a very good year, and we completed over 500 miles of grading – in fact, we completed 511.6 miles; 494.3 miles of gravelling and 126.9 miles of base course; 121.8 bituminous surfacing;

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153.4 miles of oil treatment, and 104 miles of pavement re-surfacing; 641.5 miles regavelled under maintenance. It was a most satisfactory year, and I want to say quite frankly that, without the energetic and loyal support of the staff, it would have been impossible to have carried on this amount of work in any one year.

I also want to say that we received many compliments last year from the people not only in this province, but people who came from outside the province, who were really surprised at the excellent condition of our highway system. I imagine they have received a very wrong impression of our highways because of many of the statements that have been made by Opposition people travelling up and down the length and breadth of Canada.

It is true that we did not have a spectacular year last year, as we had in 1957, when we completed our section of the Trans-Canada Highway, and we also closed up a number of gaps in the dust-free system of our highway system. During 1957, of course, we completed a dust-free system between Lloydminster and Saskatoon; from Saskatoon to Swift Current via Rosetown, and from Regina to Canora, and from Regina to the U.S. border via both No. 39 and No. 6 – that is to North Portal and Regway; from Saskatoon to Prince Albert, via Highway Nos. 5 and 2, also. But in spite of this, I say it is one of the most successful years that we have had in the history of the province.

Several decisions were made last year, after the year's work had commenced, which gave a great deal of extra work to the three branches of my Department, namely, design, planning and the bridge branch. This was caused by the decision to proceed with the bridge at Prince Albert; the decision to proceed with the road from La Ronge to Uranium City, and also the decision to proceed with the South Saskatchewan Dam. All of these projects required quick decisions, and I want again to pay tribute to the staff which was able to design the bridge, and do an excellent job in preparing information required at that time.

I think this might be a good time to point out to the Legislature just exactly what a planning branch can do for a department such as ours. When it was decided to proceed with the bridge at Prince Albert, a great deal of work was required. A decision had to be made as to the exact location. The city itself and practically everyone in my Department was agreed that the Sixth Avenue site was the logical one to follow. However, when a complete analysis was made of the traffic in that area, we found that to build the bridge in the Sixth Avenue area would have penalized 70 per cent of the traffic over the next 20 years, and would have cost the province an extra half-million dollars. That may be an extreme case, but it does illustrate just what a planning branch can do for a department such as this. Again, I think it is a credit to the young men who head these branches, that this kind of work can be done for us in such a short time.

I should point out to you also that our Government crews again had a very satisfactory year. Our Government crews accomplished 40 per cent of the grading which has been done. We do it economically, efficiently, and we do not tie up traffic unduly when we have our own crew. We did all the oiling of the roads with our own crews, and also work was done on the Lac la Ronge-Uranium City road, and of course we built most of the timber bridges with Government-owned crews. Speaking of the La Ronge-Uranium City road, I would like to say that this Department has been given the task of locating, designing and construction of the road, and would like to point out that the delay in commencement of the road was not because of the Department nor of this Government. It was because of the delay in getting the Federal Government to decide where that road should run. Apparently, the Minister of National Resources and Northern Affairs had made either a number of commitments, or near commitments; but he did find himself in a very embarrassing position, and I want to say we had a difficult time to get him to make up his mind just where that road should go.

I believe it was about mid-August when we received confirmation that La Ronge should be the southern terminus of this road. I want to assure you we lost no time in getting to work. Immediately we flew in crews to the Otter Rapids area – an area which was suggested by the Department of Natural Resources as the most reasonable one in which to construct a bridge, because from there it would be possible for the road to run north to Uranium City, or northwest to Reindeer should one be required in that district. Our crews flew in there to do the plotting and the checking of the sites, and agreed with the suggestion of the Department of Natural Resources, and by December 23, a contract had been let for the construction of that bridge. We also found that aerial photographs of the area were available, and this allowed us again to examine the aerial photographs to get some idea of where the road should run, and then send in our design boys to plan the 35 miles from Otter Rapids over the various routes. By so doing we were able to decide on the one which will be the most economical to build, and the one which will give the most direct route to the Rapids.

Again we lost no time in getting equipment to that job, once the route had been settled. By September 1 we were moving equipment from the south to the area, and by September 14 the camp had been set up and work was proceeding on the road. So I want to assure you, Mr. Speaker, that there was no time lost, so far as this Department was concerned, in getting work under way.

I am also glad to inform you that work is now proceeding on the sub-structure of that bridge. There are about 60 men employed in that area at the moment; there are some 20 working on the north abutment and some 16, I believe, on the south abutment, and a number are doing hand-clearing work on the road. In the meantime we have located gravel for the job. We have punched an access road through from the end of the development road to the Rapids, which is some 35 miles. We have hauled in the necessary cement for the abutment and the reinforcing steel, and as I said a moment ago, work is now proceeding on the two abutments. So I think there can be little criticism of what the Government is doing in that respect.

I would also like to say a word about the Transportation Company, and would like to point out to this Assembly that we are continuing with the dieselization of our fleet. Last year, five new diesel buses were purchased, and we know they are a direct asset to the company. They are liked by the men who drive them and by the men who service them, and they are appreciated by the travelling public. We also find they are helping us to reduce the cost of operations. Nine of these buses have operated over 300,000 miles without an engine change, and this, together with the lower cost of fuel consumption, has helped us very materially in the operation of the organization.

I also would like to assure you there has been no slackening of the policy of the company insofar as the comforts of our patrons are concerned. We are facing stiff opposition in all lines of transportation today, and stiff opposition in the operation of the private individual car. But in spite of that, as you will note from the report which has been tabled in this House, we have again shown a surplus which at least equals the interest on the money invested. Of course, contrary to what our members across the way may realize, this organization is set up to service the people of this province, and they are operating on quite a number of lines that private industry would not touch today. That is true. If private industry was operating today they would close down some of those lines; they never would have operated them. They have had the opportunity to do so in earlier years, and they never operated them.

**Mr. McDonald:** – What about the ones you've thrown out?

**Hon. Mr. Douglas:** – As far as private companies are concerned in this province, I would like to point out to the members opposite that we have a plant a Chaplin that would not be operating today under private industry; in fact, it lay there for years and years with a Liberal administration in power, and nothing was done. The same with the brick plant at Estevan. It shut down completely, and we had to open it, and it is a successful operation.

I could go on, Mr. Speaker, but I just want to warn this House that, so far as the Opposition is concerned, they are the friends of big business. We are the only political party in Canada today that is operating for the people of the province.

**Mr. McDonald:** – Baloney!

**Hon. Mr. Douglas:** – With those few remarks tonight, I would like to adjourn debate.

**(Debate adjourned)**

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